

JPRS-SSA-86-039

7 APRIL 1986

Sub-Saharan Africa Report

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

7 April 1986

SUB-SAHARAN AFRICA REPORT

CONTENTS

DJIBOUTI

Briefs

Port Activity Increase	1
Over 1,000 Arrests	1

GHANA

Military 'Exercise Full Impact' Begins (Accra Domestic Service, 18, 20 Mar 86).....	2
Force Participation Outlined	2
Quainoo Discusses Dissident Threat	2
World Bank Loan To Improve Hospitals, Terms Given (Accra Domestic Service, 19 Mar 86).....	3
Briefs	
Trade Union Delegation to USSR	4

LIBERIA

First Infantry Pledges Support for Doe (Philip N. Wesseh; DAILY STAR, 5 Mar 86).....	5
LUP on Equal Distribution of Posts to Parties (FOOTPRINTS TODAY, 12 Feb 86).....	7
Cabinet Issued 2 Week Leave To Begin Farming (NEW LIBERIAN, 14 Feb 86).....	9
Mano River Union Employees Demand Back Pay (DAILY STAR, 14 Feb 86).....	10

Energy Minister Discusses Offshore Oil Search (J. N. Elliott; NEW LIBERIAN, 20 Feb 86).....	12
Civil Servants Receive Partial Payment of Arrears (FOOTPRINTS TODAY, 21 Feb 86).....	14
Partial Arrears Payment Staves Off Health Worker Strike (Arthur S. Massaguoi; FOOTPRINTS TODAY, 21 Feb 86).....	15
Danish Government Assists in Agricultural Projects (FOOTPRINTS TODAY, 21 Feb 86).....	16
Attorney Explains Lack of Indictment Against Sirleaf (FOOTPRINTS TODAY, 4 Mar 86).....	17
Briefs	
Airport Workers Riffed	19
MALAWI	
Japanese Road Maintenance, Technical, Agricultural Aid (DAILY TIMES, 17 Feb 86).....	20
Heavy Rains Damage Road Communication System (MALAWI NEWS, 22-28 Feb 86).....	21
Trade Mission Secures New Contracts for Goods (DAILY TIMES, 7 Mar 86).....	22
NAMIBIA	
SWAPO President Discusses Namibia's Future in Interview (Ndugu Sam Nujoma Interview; SUNDAY NEWS, 23 Feb 86).....	23
Thirion Commission Says Diamonds Overmined for 20 Years (THE STAR, 10, 12 Mar 86).....	27
'Excessive Depletion' Cited	27
De Beers Controlled Industry	28
New Laws Planned, by Brendan Seery	28
UGANDA	
Police Force To Be Reduced, Retrained (WEEKEND DIGEST, 27 Feb 86).....	30
Anti-Buganda Group 'NEW' Established at Makere University (WEEKEND DIGEST, 27 Feb 86).....	31

ZAMBIA

MUZ To Press for Early Retirement for Riffed Workers (TIMES OF ZAMBIA, 4 Mar 86).....	33
UBZ Announces Depot Closures, Layoffs (Dennis Njamba; ZAMBIA DAILY MAIL, 4 Feb 86).....	35
Yugoslav Company Sues UBZ, ZIMCO for Payment Arrears (ZAMBIA DAILY MAIL, 6 Mar 86).....	37
Police Thwart Planned Teacher's Meeting in Kalulushi (TIMES OF ZAMBIA, 11 Feb 86).....	39
Government Forced To Rescind Fertilizer Price Hike (TIMES OF ZAMBIA, 13 Feb 86; ZAMBIA DAILY MAIL, 17 Feb 86).....	40
Parliament Passes Private Bill	40
Farmers Welcome Lower Prices	41
Party Bars Non-Members From Receiving Famine Relief (TIMES OF ZAMBIA, 15 Feb 86).....	42
Debts, Oil Imports in Auction May Decrease Value of Kwacha (ZAMBIA DAILY MAIL, 20 Feb 86).....	43
Backbenchers Criticize Role of Asian Traders (ZAMBIA DAILY MAIL, 5 Mar 86).....	44

SOUTH AFRICA

AFRIKANER/GOVERNMENT

U.S. Food Aid Diverted; Reportedly Being Sold by Dealers (Various sources, various dates).....	45
SUNDAY TIMES Investigation, by Kevin Davis, et al.	45
No Comment From U.S., RSA Officials	47
Minister of Transport Statement	48
CSM Destined for Botswana Missing, by Thelma Tuch	48
UN Issues Warning	49
Terms of Israel's Deals With Homelands Questioned (DIE AFRIKANER, 12 Feb 86).....	51
HNP Leader Calls for Action Against Tutu (DIE AFRIKANER, 29 Jan 86).....	52

Recognition of Black Miners Union Seen as Dangerous (DIE AFRIKANER, 29 Jan 86).....	54
Sabra's Reaction to Botha Speech Reported (DIE AFRIKANER, 12 Feb 86).....	56
Position of Rightist Groups on Boer Homeland Discussed (DIE AFRIKANER, 12 Feb 86).....	58
Enrollment of Non-White Students at Stellenbosch To Rise (DIE AFRIKANER, 12 Feb 86).....	60
Heunis Deems Political System for All Races Possible (DIE BURGER, 26 Feb 86).....	61
Elimination of Apartheid Would Not Solve Country's Problems (Editorial; DIE BURGER, 26 Feb 86).....	63
Public Told Not To Take Law Into Own Hands (DIE BURGER, 27 Feb 86).....	64
Black Urbanization Seen as Means To Control Population Growth (DIE BURGER, 27 Feb 86).....	65
Professor Suggests ANC Should Be Legalized in South Africa (DIE BURGER, 28 Feb 86).....	66
Leftists Cannot Succeed in Toppling Government by Force (Dawie; DIE BURGER, 1 Mar 86).....	67
PFP Advertisement Extols New Party Leadership (DIE BURGER, 3 Mar 86).....	69
Suzman's Opposition to Sanctions Discussed (Editorial; DIE BURGER, 3 Mar 86).....	71
Lower Fuel Prices Expected To Help Against Inflation (Editorial; DIE BURGER, 27 Feb 86).....	72
Inflation Hurting Farmers, Decisive Measures Required (DIE BURGER, 28 Feb 86).....	74
Briefs	
Afrikaans as Only Language	75
New HNP Branch in Algoa	75

BLACKS

Government Urged To End Obstacles to Black Entrepreneurship (Michael Chester; THE STAR, 12 Mar 86).....	76
Black Teachers Withdraw From DET (Maud Motanyane; THE STAR, 13 Mar 86).....	78
Career Development Project Ready To Expand (Frank Jeans; THE STAR, 11 Mar 86).....	79
Briefs Loan Program for Soweto Builders	80

ECONOMIC

New Vehicles Sales Slump Reported (David Carte; SUNDAY TIMES, 2 Mar 86).....	81
Editor Describes Production at Palabora Mine (John Orpen; THE SUNDAY STAR, 2 Mar 86).....	82
Outlook Bleak as Drought Devastates Maize (Kym Hamilton; THE STAR, 8 Mar 86).....	84

INDUSTRIAL/S&T

Coal Shipment Boost for Depressed Table Bay Harbor (FREIGHT WORLD, 15 Jan 86).....	85
Upgrading of 780 km of Coal Line Described (Don Robertson; SUNDAY TIMES, 9 Feb 86).....	86
FRG's WIKA Instruments Expands Manufacturing Capabilities (MINING WORLD, Jan 86).....	88
500 Hotels for Sale as Crisis Deepens (Kerry Clarke; SUNDAY TIMES, 9 Feb 86).....	89
R6 Billion Needed To Prevent Road System Collapse (Ciaran Ryan; SUNDAY TIMES, 16 Feb 86).....	92
Transport Industry Deregulation Sought (Alan Peat; BUSINESS DAY, 17 Feb 86).....	93
Timber Industry Looks for Exemption (Linda Ensor; BUSINESS DAY, 17 Feb 86).....	94
Optimistic Prospects for Nissan in Spite of Industry's Decline (Alan Ruddock; BUSINESS DAY, 4 Mar 86).....	95

BLACKS

Government Urged To End Obstacles to Black Entrepreneurship (Michael Chester; THE STAR, 12 Mar 86).....	76
Black Teachers Withdraw From DET (Maud Motanyane; THE STAR, 13 Mar 86).....	78
Career Development Project Ready To Expand (Frank Jeans; THE STAR, 11 Mar 86).....	79
Briefs Loan Program for Soweto Builders	80

ECONOMIC

New Vehicles Sales Slump Reported (David Carte; SUNDAY TIMES, 2 Mar 86).....	81
Editor Describes Production at Palabora Mine (John Orpen; THE SUNDAY STAR, 2 Mar 86).....	82
Outlook Bleak as Drought Devastates Maize (Kym Hamilton; THE STAR, 8 Mar 86).....	84

INDUSTRIAL/S&T

Coal Shipment Boost for Depressed Table Bay Harbor (FREIGHT WORLD, 15 Jan 86).....	85
Upgrading of 780 km of Coal Line Described (Don Robertson; SUNDAY TIMES, 9 Feb 86).....	86
FRG's WIKA Instruments Expands Manufacturing Capabilities (MINING WORLD, Jan 86).....	88
500 Hotels for Sale as Crisis Deepens (Kerry Clarke; SUNDAY TIMES, 9 Feb 86).....	89
R6 Billion Needed To Prevent Road System Collapse (Ciaran Ryan; SUNDAY TIMES, 16 Feb 86).....	92
Transport Industry Deregulation Sought (Alan Peat; BUSINESS DAY, 17 Feb 86).....	93
Timber Industry Looks for Exemption (Linda Ensor; BUSINESS DAY, 17 Feb 86).....	94
Optimistic Prospects for Nissan in Spite of Industry's Decline (Alan Ruddock; BUSINESS DAY, 4 Mar 86).....	95

DJIBOUTI

BRIEFS

PORT ACTIVITY INCREASE--The pro-governmental Djiboutian weekly LA NATION discloses in its latest edition what were the financial effects on the country's international port of the recent upheavals in South Yemen. Up till now the authorities had preferred not to go into details, ostensibly so as not to make too much of the fact that the misfortunes of some can bring good fortune to others. The evacuation to Djibouti in January of foreigners fleeing the civil disturbances in Aden, a total of 7,334 people, resulted in an increase in the port's traffic of more than 20 percent, or 27 ships out of the 131 which used the port at that period, and an 83 percent rise in the volume of bunkering operations (15,509 tonnes of oil compared with 8,472 tonnes in January 1985). However the greatest source of satisfaction to the Djiboutians is the fact that the damage caused to the port of Aden in the fighting has meant that the modernisation of the facilities there has had to be postponed. Aden is the only real competitor to Djibouti as a port by reason of its very low oil prices and charges. With traffic in 1985 totalling 775,000 tonnes and 17,800 containers, Djibouti has seen its turnover falling steadily, with a drop of 20,000 tonnes since 1983. [Text] [Paris THE INDIAN OCEAN NEWSLETTER in English 8 Mar 86 p 7] /12851

OVER 1,000 ARRESTS--More than 1,000 people have been arrested in Djibouti since February 17 in an extensive operation carried out by the national security force and the gendarmerie. After identity checks, more than half of them were released. The remainder, comprising clandestine refugees from Somalia and Ethiopia, were expelled from the country. These swoops, which are a regular feature in the capital, took place in district 2 and the business quarter, where the authorities had become aware of a significant increase in the amount of violent crime. [Text] [Paris THE INDIAN OCEAN NEWSLETTER in English 8 Mar 86 p 3] /12851

CSO: 3400/1309

GHANA

MILITARY 'EXERCISE FULL IMPACT' BEGINS

Force Participation Outlined

AB182115 Accra Domestic Service in English 1800 GMT 18 Mar 86

[Text] A 2-week military training exercise codenamed "Exercise Full Impact" has begun at the Jungle Warfare School at Achiasi. The exercise, being conducted in two phases, embraces all the three major arms of the armed forces which are the Army, the Navy, and the Air Force. The exercise aims at testing skills at patrolling, obstacle crossing, map reading, physical fitness, and initiative of junior leaders. The exercise ends on the 27th of this month.

Quainoo Discusses Dissident Threat

AB201909 Accra Domestic Service in English 1800 GMT 20 Mar 86

[Text] The force commander, Major General Arnold Quainoo, has visited soldiers currently on a 2-week military training exercise at the Jungle Warfare School at Achiasi in the Eastern Region. He was there to know the progress of the exercise codenamed "Exercise Full Impact." The chief instructor of the school, Major Francis Mensah, briefed the force commander on the exercise which is aimed at testing skills in patrolling, obstacle crossing, map reading, physical fitness and the initiative of the junior leaders.

General Quainoo said the exercise should not be regarded as a promotion one but a situation of war. He said the international situation is hostile and confrontational with the wealthy dissidents helping to acquire arms. The mission of the armed forces is to put up a defensive structure which the enemies dare not attack. The only option therefore left for us is to be defensive-minded through such military exercises.

General Quainoo said a good soldier can be determined by his technical competence, skill and character. These cannot be acquired from textbooks but by practical experience.

/9604

CS0: 3400/1298

7 April 1986

GHANA

WORLD BANK LOAN TO IMPROVE HOSPITALS, TERMS GIVEN

AB191821 Accra Domestic Service in English 1300 GMT 19 Mar 86

[Text] The World Bank has donated \$50 million to improve upon hospital facilities in Ghana. This was disclosed in an interview with a CBC [Ghana Broadcasting Corporation] correspondent at Wa by the regional representative of the Bank for West Africa, Mr John (Ijichi), after inspecting conditions at the Wa and Jirapa hospitals. He was accompanied on the inspection tour by Mr K. Amoah of the Central Project Monitoring Unit of the Ministry of Finance and Economic Planning.

According to Mr (Ijichi), the loan, which is interest free, is repayable within 50 years with a 10-year grace period. He said part of the money would be used to purchase drugs and equipment for the hospitals. He said under a technical program, the World Bank would also supply personnel to the hospitals. He was happy that the first phase of the economic recovery program ended successfully, and he pointed out that the bank is determined to support financially the second phase of the program. He described as laudable the PNDC's [Provisional National Defense Council] economic policy and called on Ghanaians to work hard to ensure their success. Mr (Ijichi) has since left for Washington to present his report.

/9604

CSO: 3400/1299

7 April 1986

GHANA

BRIEFS

TRADE UNION DELEGATION TO USSR--A three-man delegation from the Ghana Trades Union Congress [TUC] led by the secretary general, Mr A. K. Yankey, has flown to Moscow at the invitation of the Soviet trade union organization. Speaking to newsmen at the Kotoka International Airport, Mr Yankey said the delegation will hold discussions with its Soviet counterpart aimed at increasing bilateral cooperation between the two organizations. He said while in the Soviet Union, the delegation will also sign a protocol agreement on cooperation. The delegation, which will be away for a week, includes Mr Kofi Aikins, national chairman of the Ghana Private Road Transport Union, and Mr Opere Ababio, general secretary of the Public Services Workers Union. The delegation was seen off by a member of the PNDC [Provisional National Defense Council], Mr Ebow Tawiah, and the Soviet ambassador to Ghana, Mr V.M. Semenov. [Text] [Accra Domestic Service in English 0700 GMT 19 Mar 86] /9604

CSO: 3400/1299

7 April 1986

LIBERIA

FIRST INFANTRY PLEDGES SUPPORT FOR DOE

Monrovia DAILY STAR in English 5 Mar 86 pp 12, 5

[Article by Philip N. Wesseh]

[Text] Officers and
men of the First
Infantry Battalion
in Camp Schiefflin,
outside Monrovia,
have pledged their
unflinching support
and allegiance to the
new government under
the leadership of Dr.
Samuel Kanyon Doe.

Col. Moses
Wright, Commanding
Officer of the
battalion, made the
pledge last Saturday
at Camp Schiefflin
during a dedicatory
program for a monu-
ment in honour of
officers and men of
the battalion.

During the program,
certificates were
awarded to soldiers
and other outstanding
citizens in the com-
munity for their
assistance to
soldiers during the
project and the
November 12,

1985 unsuccessful
invasion.

Col. Wright
said that the
duties of soldiers
were "broad, plain
and simple" and
that it would be a
"betrayal of our
fellow countrymen
to sit idly and cheer
the intrusion of
rebels or mercenaries
into our country.

"We the officers
and enlistedmen of
the First Infantry
Battalion will fight
those infiltrators for
we know our Lord
cannot forsake us.
We have to defend
our God-given
Republic, Liberia.
If it needs our
lives, we all will
perish from the face
of Africa," he
pointed out.

Col. Wright
noted that in
accordance to their
oath, the army was
prepared

under all circumstances to uphold, defend the Commander-In-Chief, the State and the people of Liberia, adding, "these are our constitutional obligations and bounding duties to execute daily."

The Commanding Officer said that his battalion "does not listen to Liberian and foreign detractors", adding, "we are doing our duties".

He praised officers and men of his battalion for their "kind cooperation, understanding, discipline, togetherness, bravery, loyalty and devotion", which he said resulted to the construction and dedication of the monument estimated over \$6,000.

Col. Wright praised several individuals who he said had contributed immensely

to his battalion.

Among those named were the Minister of State for Presidential Affairs, Dr. George S. Boley; Mr. Mack S. Noah of the Third World Insurance Company of Africa (TWICA) and Mr. and Mrs. Jacob Dogbeh of the Putu Construction Company.

In remarks, Deputy Chief of Staff of the Armed Forces of Liberia, General K.Y. Konah lauded officers and men of the First Infantry Battalion for their concern in engaging indevelopment projects.

He praised them for their efforts in "delivering the people of this country on the fateful morning of November 12, 1985" and said that they will always be remembered by the people of this country for their bravery.

/12851

CSO: 3400/1308

7 April 1986

LIBERIA

LUP ON EQUAL DISTRIBUTION OF POSTS TO PARTIES

Monrovia FOOTPRINTS TODAY in English 12 Feb 86 pp 1, 10

[Text]

The Liberia Unification Party (LUP) of Mr. Gabriel Kpoteh is seeking re-elections or equal distribution of elective and governmental positions among the four political parties if national reconciliation is to be achieved.

In a proposal submitted to the National Democratic Party of Liberia (NDPL), the Liberia Action Party (LAP) and the Unity Party (UP) on February 7, LUP said "to ensure a civilized administration of government, a truly free and fair democratic general re-elections or a national reconciliation summit conference be immediately held as a nation and its government built of frauds and illegality cannot win the support and respect of its own people".

LUP alleged in the proposal signed by its secretary-general, B.K. Sando, that "SECOM has compromised with and admittedly participated to a large extent in the election irregularities, hence it will not be free to face the issues by scheduling a hearing of the complaint

of LUP, LAP and UP against those violations of elections laws".

LUP also claimed that SECOM "is now adopting a new method of making the voters resent the entire governmental process by its pronouncements as it has already successfully made a ridicule of those it selected as elected candidates".

In the proposal, LUP called for the "eradication and renunciation of coup plots, false arrests and imprisonment of politicians" because of their political affiliation.

"As a government that is not liable for its acts, government should accept liability for the murder of civilians during the alleged November 12, 1985 coup plot, pay for homes and houses looted and or burnt during the period and pay for damages suffered by political parties, candidates and supporters during the general elections", the proposal states.

LUP also suggested that "persons retrenched or dismissed for their poli-

tical party affiliations should be re-instated with back pay; that all military and para-military personnel in civil offices as recognized before 1980 should be replaced by civilians; and that militarization of Liberia be stopped and prohibited".

LUP said if re-elections could not be held, the elective and all governmental positions be shared equally with the NDPL taking the presidency, vice presidency, Ministries of State, National

Defense, Foreign Affairs, Youth and Sports, Postal Affairs, Health and Social Welfare, National Security and Armed Forces, all Liberia's foreign missions and one-fourth of the seats in the Senate and House of Representatives.

"All other ministries and government offices, including the remaining three-fourths of the Legislature be shared equally by the Liberia Unification Party, the Liberia Action Party and the Unity Party" the proposal concluded.

/12851

CSO: 3400/1249

7 April 1986

LIBERIA

CABINET ISSUED 2 WEEK LEAVE TO BEGIN FARMING

Monrovia NEW LIBERIAN in English 14 Feb 86 p 1

[Text]

The President of Liberia Dr. Samuel K. Doe, has directed all Cabinet Ministers to take two weeks off their normal official duties to commence work on their respective farms.

An Executive Mansion release issued yesterday said, this mandate takes effect as of Monday, February 17, 1986.

In giving the directives on February 13 Dr. Doe reiterated the importance he attaches to the "Green Revolution" and said that any Minister who fails

to 'make farm' in the next six months will be dropped from the Cabinet.

Meanwhile, the Liberian leader has appealed to all Liberians to identify farm lands for agricultural purposes.

Dr. Doe further said, the future wellbeing of the nation depends greatly on the agricultural industry especially with the cultivation of cash crops such as cocoa and coffee, as well as rice for local consumption and export.

/12851

CSO: 3400/1249

LIBERIA

MANO RIVER UNION EMPLOYEES DEMAND BACK PAY

Monrovia DAILY STAR in English 14 Feb 86 pp 1, 7

[Text] Scores of employees of the Mano River Union Sub-Office in Monrovia; the Mano river Union Forestry Training Institute in Tubmanburg, Bomi County and the Mano River Union Marine Training Institute in Margibi County, are demanding six months salary arrears owed them by the Mano River Union. (MRU).

In a protest statement read yesterday to the Secretary General of the MRU, Dr. Augustine F. Caine, the employees charged that they have not been treated fairly as compared with their fellow counterparts in Sierra Leone.

They said while they have not been paid for the months of September, October, November, December, January, and February, the payment of those

of the Sierra Leone Branch have been current.

The employees said that in a letter dated December 26, 1985 the Secretary General "confirmed" to liquidate the Union's Overdraft at the National Bank of Liberia in the amount of \$25,000 from the amount of \$60,000 which the Government of Liberia was processing to cover a month's salary for the staff in Liberia and Sierra Leone.

They claimed that this letter was written prior to an earlier one written by the Resident Coordinator, Mr. Luke L. Bawo, requesting the General Manager of the National Bank of Liberia to credit the Mano River Union Account Number 5-0016 from the debit of the salaries payment to

the Liberian staff, including the Secretary General, for the month of October, 1985.

We are also in possession of this letter along with the breakdown on which

Dr. Caine's name is the first amongst twelve," the employees said.

When contacted, the Secretary General of the Mano river Union Dr. Augustus F. Caine, said the financial situation regarding the payment of the Liberian staff is a result of the member states failure to meet up with their obligation.

He said presently, the Government of Liberia owes \$1.5 million while Sierra Leone and Guinea were owing \$2.5 million each.

He said at the same time, there were some 32 staff that were eliminated from their position by the Third Extraordinary Session of the Union Ministerial Council.

Dr. Caine said efforts were being made through the Ministries of Planning and Finance in order to the pay the employees for a month.

He did not say how soon but noted that it requires "time".

/12851

CSO: 3400/1247

7 April 1986

LIBERIA

ENERGY MINISTER DISCUSSES OFFSHORE OIL SEARCH

Monrovia NEW LIBERIAN in English 20 Feb 86, pp 1, 6

[Article by J. N. Elliott]

[Text]

A petroleum firm based in Texas, USA, the Henry Resources Corporation, is expected to shortly begin exploring for oil on the shores of Margibi and Grand Bassa Counties.

According to Lands, Mines and Energy Minister, Mr. William A. Freeman, the petroleum firm expected to begin on-shore exploration by mid-1986, will drill only two oil wells. One will be located in Marshall and the other near Buchanan City in Grand Bassa County.

Speaking at a news conference held yesterday at the Lands, Mines and Energy Ministry on Capitol Hill, Minister Freeman said on-shore explorations is necessary at this time because the off-shore oil hunt being carried out by the Amoco Liberia Exploration Company has not yet proven successful.

The agreement between government and

the Henry Resources Corporation has already been concluded. It was signed on February 7, 1985, Minister Freeman said.

Commenting on AMOCO operations here, Minister Freeman, a mineral engineer, regretted that the three wells dug so far by AMOCO costing more than \$30 million had not yielded oil.

However, he said the petroleum firm which is optimistic, is expected to begin drilling the fourth well this year.

Minister Freeman said in order to assist improve the economic look of the nation, his ministry has already located another mineral which according to him, would create a market for investors.

He said besides gold and diamond, Bartix which is used in the paint industry and as drill fuel has also been located. However, he said the mineral has not been quanti-

fied to determine its quantity.

Minister Freeman said the gold and diamond industry is not generating the required revenue for government because, according to him, the stones are being smuggled out of the country.

He said only 138,321 carats of diamond valuing \$4,700,800 and gold totalling \$1,242,383 were reportedly discovered last year.

He then appealed to authorities to assist in arresting the incident.

/12851

CS0: 3400/1249

LIBERIA

CIVIL SERVANTS RECEIVE PARTIAL PAYMENT OF ARREARS

Monrovia FOOTPRINTS TODAY in English 21 Feb 86 pp 1, 2

[Excerpt] The President of Liberia, Dr. Samuel Kanyon Doe, announced yesterday that government will disburse salary checks of its employees for the months of November and December beginning today, February 21, 1986.

An Executive Mansion release issued here yesterday quoted Dr. Doe as saying that the salary checks for the month of January 1986 are to be paid subsequently.

In announcing this action, the President expressed gratitude to all employees of government who, he said, have waited patiently to date to receive their salaries.

According to the release, Dr. Doe also made reference to the

need for all Liberians to be united and work in the interest of the nation and pointed out that disruptive acts such as strikes and work stoppages will only contribute to the economic problems the nation was faced with at present.

The Liberian leader while thanking the Liberian people for their continued patience and understanding of the problems government was experiencing, attributed the delay in the payment of employees' salaries to the nation's financial constraints which, he said, have been compounded by the abortive November 12 invasion to destabilize the country.

/12851
CSO: 3400/1247

LIBERIA

PARTIAL ARREARS PAYMENT STAVES OFF HEALTH WORKER STRIKE

Monrovia FOOTPRINTS TODAY in English 21 Feb 86 pp 1, 10

[Article by Arthur S. Massaguoi: "Health Workers Back to Work"]

[Text]

Health workers, including doctors and nurses who threatened to strike in demand of three months salary arrears from government, yesterday called-off their strike action after they began receiving their pay for the month of November.

The Chief Executive Officer of the John F. Kennedy Medical Center, Dr. Walter Brumskine, who confirmed this yesterday to FOOTPRINTS TODAY, said that the budget and finance committee of the Board of Directors of the medical center in collaboration with the Health and Social Welfare Ministry, met with the employees yesterday to find solution to their problems.

At this meeting, the employees demanded, among other things that their arrears for the months of November, December and January must be paid; that transportation be provided

to and from work, and that supplies such as drugs, must be provided in order to make them more functional on the job.

Dr. Brumskine explained that due to financial constraints facing government, they could not make payment for the three months salary arrears demanded by the employees. However, he added that the employees agreed to go back to their respective areas of assignment after they began receiving their November pay yesterday.

In a position statement issued Wednesday by the National Health Workers Association of Liberia, they contended that they would lay down their tools "effective immediately" until the three-month salary arrears owed them are paid.

It was after this threat that an emergency meeting with the employees was convened yesterday.

LIBERIA

DANISH GOVERNMENT ASSISTS IN AGRICULTURAL PROJECTS

Monrovia FOOTPRINTS TODAY in English 21 Feb 86 p 3

[Text] **The Danish Charge d'Affaires in the Ivory Coast, Mr. Mogens Holm Pedersen, has arrived here at a start of a four-day official visit as guest of the Liberian Government.**

While in the country, Mr. Pedersen is expected to meet with several government officials, including Ministers of Foreign Affairs, Planning and Economic Affairs, Agriculture and Rural Development.

The Danish official will also participate in signing ceremonies for the implementation of phase two of the Danish Government technical assistance loan agreement with Liberia.

The loan, which totals \$10 million, would be used toward the implementation of agricultural projects in Nimba, Bong, Grand Gedeh and Lofa counties as well as the provision of pipe-borne water for citizens in those areas.

The Deputy Minister

for Planning and Policy at the Ministry of Planning and Economic Affairs, Dr. Elijah Taylor, who welcomed the Danish official at RIA, re-echoed government's commitment to upgrading the living standard of rural dwellers, especially in these times of the nation's history.

He said this was manifested by the presence of the Danish team, who has expressed willingness to undertake agricultural programs in rural Liberia.

Mr. Pedersen, in response expressed happiness to be in Liberia and hoped his visit would enable him to fully acquaint himself with phase one of the project.

Also on hand to welcome Mr. Pedersen Wednesday night were the Danish Consul General, Niels Conradsen, and Deputy Agricultural Minister for Technical Affairs, Mr. Peter Deo Youn, Sr., among others.

7 April 1986

LIBERIA

ATTORNEY EXPLAINS LACK OF INDICTMENT AGAINST SIRLEAF

Monrovia FOOTPRINTS TODAY in English 4 Mar 86 pp 1, 12

[Text]

Mrs. Ellen Johnson-Sirleaf, an executive member of the Liberia Action Party (LAP) who has been detained for about 112 days now, in connection with her alleged involvement in the November 12, abortive invasion, has not yet been indicted.

When Montserrado County Attorney, Marcus Jones was asked recently whether the grand jury had brought an "ignoramous" or "true bill" against Mrs. Sirleaf, he said a "true bill" had been brought against her and that efforts were being made to prepare an indictment against her.

Earlier, doubts had been raised in many quarters as to whether a "true bill" had been brought against Mrs. Sirleaf, since the presentment was not read in court.

A "true bill" is

one which says that there is probable cause and that indictment can be prepared, while "ignoramous" is one which implies that there is no probable cause to proceed.

Observers interpret the delay in the Ellen Johnson-Sirleaf case as a difficulty being experienced by the prosecution because the writ of arrest accuses her of planning and conspiring with and facilitating the invasion of the invading forces into the Republic of Liberia under the command of the late former commanding general, Thomas G. Quiwonkpa, but does not specifically state how she did it.

Also, the fact that other LAP officials in the persons of the Standard bearer, Jackson F. Doe; vice-standard bearer, Emmanuel S. Koroma; secretary-general Byron Tarr; former chairman Tuan Wreh; vice-chairman, Harry Greaves Sr., and treasurer Farhat, were detained, but were never implicated

may be contributing to the difficulty in ascertaining with whom she planned the alleged act.

In the case of Jackson F. Doe, who was also detained following the November 12 incident he was not formally charged until January 23 this year (a period of 69 days), when his lawyers disclosed that a writ of arrest had been served on him for treason. This followed a petition for writ of Habeas Corpus filed at the Criminal

Court 'B' on Monday, January 20.

However, on Wednesday, February 12 (20 days later) Mr. Doe was acquitted by the Magistrate's Court in Monrovia of the charge of treason due to lack of sufficient evidence to convict him (after spending a total of 89 days behind bars).

The release of Jackson Doe came as a result of a plea of nolle prosequi entered by the state prosecutors in his favour.

/12851

CSO: 3400/1308

LIBERIA

BRIEFS

AIRPORT WORKERS RIFFED--Fifty nine employees of the Roberts International Airport (RIA) were last week declared redundant by the management because of present financial conditions at the Airport. According to a release issued last Friday, the management said the exercise which has the approval of the Ministry of Commerce Industry and Transportation, "was necessitated by the present financial condition of the Airport", adding, this is "imposed by the reduction of flights into the Airport and other factors over the years." The release went on to say that in order to remain viable, the Airport authorities said, "it was necessary to implement the redundancy scheme and other economic measures to reduce operational cost and improve the financial image of the Airport". [Excerpt] [Monrovia FOOTPRINTS TODAY in English 3 Mar 86 p 12] /12851

CSO: 3400/1308

MALAWI

JAPANESE ROAD MAINTENANCE, TECHNICAL, AGRICULTURAL AID

Blantyre DAILY TIMES in English 17 Feb 86 p 3

[Text]

MALAWI has thanked Japan for offering it a K4.3 million package of road maintenance equipment, saying the move was further proof of that country's keen interest in the overall development of this nation.

The Minister of Finance, Mr. S. Chimwemwe Hara, conveyed the thanks at the Ministry of Works and Supplies headquarters in Lilongwe when he formally received the equipment on behalf of the Malawi Government on Friday.

The Kenya-based Japanese Ambassador to Malawi, Mr. Kazuo Murakami, formally handed over the equipment — six motor graders, nine multi-purpose repair and maintenance vehicles, 52 drop-side trucks, 14 dump trucks and 11 water bowsers — on behalf of his Government.

"This grant is timely and most welcome in view of the difficult financial situation the Government is experiencing on its budget," Mr. Chimwemwe Hara stated.

He noted with pleasure

that the equipment, purchased under Japan's third grant for the Improvement of Roads Project, would assist in this country's road rehabilitation programme which had also greatly benefited from the previous two Japanese grants.

The Minister also thanked Japan for its development and which included the terminal building, navigational aids and electrical installations at the Kamuzu International Airport (KIA) in Lilongwe, materials for the Chitipa gravity-fed water scheme, grants for purchases of fertiliser and agricultural chemicals and excellent work by Japanese Volunteers.

And he said it was also heartening that in its future plans, Japan had made available a fourth grant for the purchase of more plants and vehicles and earmarked approximately K2.2 million for fertilisers, agricultural chemicals and machinery and nearly K1.2 million under the debt relief grant for spare parts at KIA and satellite earth station and ambulances for the health sector.

Mr. Chimwemwe Hara added that it was gratifying that since 1980 when Japan last extended a loan to Malawi, funds amounting to about K43 million and about K34 million as soft loans had been pledged by the Japanese Government as a contribution to the World Bank-financed Structural Adjustment Programme and for the Microwave Network Improvement Project, respectively.

He said the significance of the Japanese aid in agriculture, transportation and other vital sectors was that it was a clear manifestation of that country's confidence and trust in the wise and dynamic leadership of His Excellency the Life President whose priority is on the improvement of standards of living of the ordinary people.

Presenting the equipment, the Japanese Ambassador said he hoped it would go a long way towards ensuring a reliable road network needed by the landlocked and outstanding agricultural nation.

/9317

CSO: 3400/1293

7 April 1986

MALAWI

HEAVY RAINS DAMAGE ROAD COMMUNICATION SYSTEM

Blantyre MALAWI NEWS in English 22-28 Feb 86 p 1

[Text]

THE HEAVY downpours experienced throughout the country have made certain roads impassable while some only passable to four-wheel drive vehicles, road authorities say.

The central roads office in the Ministry of Works and Supplies in Lilongwe said this week, when they were contacted, that about five roads have had their bridges washed away in the south and that one road can only be travelled on with a four-wheel drive vehicle.

Pointing out that the roads in the centre are generally in fair condition, the office also states that as for the north only one road has lost a bridge.

In the Lower Shire a drift at Chidzimbiri Drift on the Chikwawa East Bank road (S38) was washed away, so too was a bridge 2km after Tomali on the S80 which is a 11 km run from Tomali turn-off to Mbewe.

Within the Phalombe plain, the S41, which starts from Zomba township and

runs through Jali to Phalombe is passable to all vehicles only as far as Jali. After that the road can only accommodate those with a four-wheel drive.

And if you are travelling to Zomba via Lirangwe and Chingale, that is following the D240, you would be advised to take the M1 instead, because a bridge near Chingale police post has been carried off. Likewise you will have to make a long detour through Mwanza, if you are travelling from Matope bridge to Neno via Lisungwi (D271) because, approaches on the Lisungwi bridge have been washed away. Also several bridges and caravans have been carried away with the rains on the D281, which winds from Mwanza to Thambani.

And in the Northern Region, the southern approach of Kamteteka bridge, 32 km north of Edingeni, has been carried off by the downpours on the Embangweni/Euthini (S49) road. The alternative route is through Mzimba Boma.

/9317

CSO: 3400/1293

7 April 1986

MALAWI

TRADE MISSION SECURES NEW CONTRACTS FOR GOODS

Blantyre DAILY TIMES in English 7 Mar 86 p 1

[Text]

OVER MK6 million worth of Malawi products have been secured by Zambia and Zimbabwe importers during the second phase of the "Contact Promotion Programme" which ended yesterday.

Announcing this in a press release a spokesman of the Malawi Export Promotion Council said the trade mission which comprised eight members was equipped with samples and price structures. It met identified importers and discussed business with them which has resulted in these firm orders.

The mission, which started on February 24, took its first week in Zambia and followed by Zimbabwe.

According to an official of the Council who accompanied the mission, interim results of the mission have been "very en-

couraging in Zambia" where over K3 million worth of orders were secured and are actively being processed by the various exporters.

Among the products taken to Zambia, potable Malawi made spirits were extremely popular and the official said that with the newly introduced foreign exchange auction system, payment was guaranteed.

"With the auctioning of foreign exchange Zambian importers are now at liberty to get any product from whichever source of their choice," said the spokesman.

"The allocation has now been increased from ZK4 million to ZK9 million every week and Malawi exporters must take advantage of this by consulting the Council on the relevant details," the

spokesman added.

In Zimbabwe nearly MK3 million worth of orders were secured but the strict licensing system was apparently still a hindrance but "demand and the market for Malawian products is enormous and excellent," the spokesman said.

The project was funded by the Commonwealth Fund for Technical Cooperation (CFTC), a wing of the Commonwealth Secretariat. Products included in the mission were agricultural produce and implements, textiles, tea, confectionery, candles, biscuits and potable spirits.

"Such missions are aimed at reducing Malawi's trade imbalance with neighbouring countries," the spokesman added.

/9317

CSO: 3400/1293

7 April 1986

NAMIBIA

SWAPO PRESIDENT DISCUSSES NAMIBIA'S FUTURE IN INTERVIEW

Dar es Salaam SUNDAY NEWS in English 23 Feb 86 p 7

[Interview with Ndugu Sam Nujoma, President of the South West Africa People's Organisation (SWAPO) by Nkumpwa Ally in Dar es Salaam last week; "'Namibia's Uhuru Is Round the Corner'"]

[Text]

QUESTION: — I understand you are here to brief President Mwinyi and the CCM Chairman, Mwalimu Nyerere, on the latest developments in the liberation struggle, especially in Namibia. What is the present situation?

ANSWER: — Well, I would like to specifically confine myself to the political and military situation, which is very very critical and explosive in Namibia, as a result of the intensification of the armed struggle by the determined commanders and combatants of the People's Liberation Army of Namibia (PLAN), the military wing of SWAPO.

PLAN has been scoring victories over the last 19 years against the South African colonial occupationist forces. As a result of the successes we have scored, the Botha regime resorted to escalation of violence, particularly against the civilian population.

As you know, the Botha regime has been trying to prevent the Namibian people from supporting the combatants of PLAN. However, the people of Namibia are committed to the liberation of their fatherland and they render the necessary support to the fighters, such as shelter, food, medicine and information on the movement of the enemy troops.

So racist South Africa resorted to mass killing of civilians. For instance, whenever a battle takes place near a village, South African jet fighters, helicopters or long-range artillery would come to bombard the village, razing it to the ground.

The Botha regime went further to create murder squads, such as the "Iron Bar" unit and many others, including the so-called South-West Africa Territory Force (SWATF). We Namibians are conscripted into this South African-controlled force, which is under white South African commanders.

The murder squads have killed a lot of civilians, including church leaders, school teachers and pupils. The squads are also responsible for the destruction of schools, church buildings, farms and shooting of livestock such as cattle and goats in the so-called operational areas.

All these barbaric acts and atrocities against the Namibian people are carried out with full support of the South African racist regime through its so-called administrator-general in Namibia, who uses a chain of repressive laws, such as the suppression of Communism Act extended to Namibia in 1967; the state of emergency of 1971/72; the marshal law and a host of proclamations by the administrator-general.

Those proclamations give powers to the army to kill people

without any recourse to the law. Nobody can question the South African racist army of occupation even if they killed in broad daylight.

The recent proclamation is the so-called District Security Proclamation of 1985, which requires every individual, for the first time including the whites in Namibia, leaving Windhoek, the capital, for other parts of the country to have a written permit from the police or the commander of the army.

In this way, the racist regime has succeeded to restrict the movement of foreign and local media correspondents in Namibia. Foreign correspondents are particularly barred from visiting the so-called operational areas, where clashes between PLAN combatants and the racist South African troops are taking place daily.

But despite the repressive laws and the blackout of news out of Namibia, the Namibian people under the leadership of SWAPO are determined to further tighten their belts and carry out the directives of SWAPO to intensify the armed liberation struggle. We are convinced that this is the only way which will lead us to genuine freedom and independence.

We have lost hope in finding a genuinely negotiated settlement leading to the independence of Namibia as proposed by the United Nations under the UN Security Council Resolution 435 which outlines the decolonisation process of Namibia.

The US imperialists, particularly the Reagan administration which took office in 1980, worked out the infamous policy of *constructive engagement*, including the condemned linkage of the Namibian decolonisation process to the withdrawal of Cuban internationalist forces from Angola.

That way, of course, US imperialism succeeded to create a blockade mechanism against the decolonisation of Namibia as envisaged in the UN plan. We are, however, optimistic that the US blockade is temporary. There is no force on earth that can prevent a people who are determined to fight and break the shackles of foreign domination and exploitation from attaining

that goal.

Whether Reagan likes it or not, he can not stop the strong hurricane that is blowing all over the continent of Africa from the North to the South. It is a question of time. The guerrilla forces of PLAN will certainly soon score the final victory over the racist, fascist South African occupationist troops in Namibia.

Q:- You talk about SWAPO's military victories inside Namibia on rather general terms. Can you give specific examples?

A:- Yes. Perhaps I should refer you to the press cuttings which I brought you from the local press in Namibia. They have listed the actions that took place from January to November, 1985. Those are not SWAPO war communiques; the details are quoted from the enemy war communiques. Between three and four battles take place every week inside Namibia between the combatants of PLAN and the racist occupationist forces.

One of the battles, which has historical significance, took place in July, last year. Our guerrilla forces bombarded with artillery and mortars the regional capital of the north, Oshana, and destroyed almost the entire section of the whites' exclusive settlement. The commander of the enemy troops has reportedly never been seen since then; which means he has been wiped out or seriously injured.

But this has never been published because of the news blackout in Namibia. Certainly many racist South African soldiers were wiped out and some wounded. When they get back to South Africa they reveal this information.

Q:- You have been quoted as saying victory for SWAPO is in sight this year. What made you make such a precise statement?

A:- Well, there are many reasons: — the enemy's economy is in shambles; and the masses of the Namibian people are determined to free themselves at any cost.

There is also the contradiction existing in the enemy camp. The colonialists want to Namibia to enrich themselves and live comfortably. But the economy in Namibia, and even in South Africa, has sharply gone down; so the colonialists, who are also

being physically eliminated by our fighters, are leaving Namibia. Forty per cent of the colonialists have fled Namibia to South Africa and other parts of the world.

This is what makes me optimistic that Namibia's independence is round the corner. It is a question of time.

Q: — The recent visit to Angola and South Africa by the US Assistant Secretary of State for African Affairs, Chester Crocker, indicates renewed US overtures to Southern Africa, which have some significance to your struggle. How do you assess the latest shuttle?

A: — I tend to disagree with you on the significance you attach to US Assistant Secretary of State Chester Crocker. His visit was based on the US' deceptive exercise. He normally visits Southern Africa and returns to Washington to issue a statement that there is progress in the talks concerning the liberation of Namibia. And, of course, insisting that the only little problem that remains is the withdrawal of Cuban troops from Angola.

The truth is that the US imperialists are trying to link a simple question of Namibia decolonisation with Cuban presence in Angola, which is a bilateral matter between Angola and Cuba.

And the reason for this is that Reagan wants the Cuban troops withdrawn from Angola so that racist South Africa can attack and further infiltrate the Republic of Angola with a view to overthrowing the MPLA Government and put a puppet regime of Jonas Savimbi there.

After Crocker's visit to Angola and South Africa we have seen Reagan receiving Jonas Savimbi, the bandit leader of UNITA, who is a tool of racist South Africa.

Therefore, to us the recent visit of Chester Crocker to Southern Africa is nothing but the usual intrigues of US imperialism against Namibia.

Q: — Talking about the US open-handed welcome to Savimbi, Crocker has described this as a signal showing that they have options in their strategies on Southern Africa. How do you look at the warm reception accorded the UNITA leader?

A: — Well, the US imperialists welcomed Savimbi because he is a tool in their service. He works for the interests of imperialism and racist South Africa, the US is, therefore, supporting their client, their stooge. Savimbi is the worst kind of stooge Africa has ever produced. He is even worse than (Moïse) Tshombe of Katanga.

As for Crocker's remarks about having options in their strategies, if the options include arming Savimbi, that is direct interference in the internal affairs of Angola. And, of course, the Angolan Government will certainly take appropriate measures.

Q: — If I may revert your attention back to the situation inside Namibia: a so-called interim administration was installed by South Africa last year, but little has been said about its function. What is happening?

A: — Basically, what happened earlier at the beginning of 1979 is that the racist regime of South Africa imposed a puppet regime on the Namibian people without any referendum or election. The regime was composed of members of the so-called DTA, an alliance of the Nationalist Party mainly grouping whites and other puppet elements hand-picked from the regions of Namibia.

Some of them were appointed ministers and a national assembly was created, but these neo-colonialist institutions collapsed at the end of 1983 as a result of intensification of the armed struggle by SWAPO.

In 1984 racist South Africa again constituted a so-called multi-party conference composed of corrupt and reactionary elements such as Moses Kachungwa, who was the so-called president of SWANO. Andrea Chipanga, who was expelled from SWAPO because of his unpatriotic activities; Fanuel Kozongvizi, who was earlier the president of SWANO and some other reactionary Namibians.

These elements were later appointed ministers by proclamation of the South African so-called State President on June 17, 1985. These unrepresentative elements are still around, being used by South African racist regime against the interests of the

struggle for Namibian independence

But, as a matter of fact, the puppet regime, the so-called interim government exists in Windhoek — on paper. In reality it doesn't do anything. It is not respected by the Namibian people; it is condemned and rejected by the masses of the Namibians, who are convinced that genuine independence will only be brought to Namibia by SWAPO.

Q:— The recent change of government in Lesotho has some implications on the relationship between that country and South Africa. Would you like to comment on the coup that toppled the government of Prime Minister Chief Leabua Jonathan?

A:— Well, I am not really qualified to make a comment on that. I understand that the Lesotho delegation was here — they are the people who are qualified to comment.

But if you ask me, racist South Africa intervened in the internal affairs of Lesotho by blockading the kingdom economically. There were also reports that the commander of the Lesotho army was called to Pretoria — I don't know what they discussed there.

As I said, I am not qualified to comment on the situation, but

certainly there is interference by South Africa in Lesotho and other Frontline States.

It is, therefore, important for the Frontline States to unite their forces in order to be able to assist each other even with troops if need be, to defend their hard won freedom and territorial integrity.

Q:— The question of material support for the Southern Africa liberation struggle has been high on the continental and international agenda for a long time. Are you happy with the assistance you receive from the international community at this point when SWAPO feels it is about to score the final victory in Namibia?

A:— We are certainly encouraged by the commitment of the Frontline States whose people are being killed and maimed by the enemy bullets daily. We are also encouraged by the commitment of the OAU to the liberation struggle as well as the Non-Aligned Movement, the United Nations and its specialised agencies; the Nordic countries and some western countries like Holland and Italy.

We have also received support from some progressive forces in countries like the United Kingdom. So, we can not complain. Rather, we should express our profound gratitude and appreciation for this support.

/12851

CSO: 3400/1311

7 April 1986

NAMIBIA

THIRION COMMISSION SAYS DIAMONDS OVERMINED FOR 20 YEARS

'Excessive Depletion' Cited

Johannesburg THE STAR in English 10 Mar 86 p 4

[Text] WINDHOEK — The Thirion Commission report commented at length on the operations of Consolidate Diamond Mines (CDM), the De Beers subsidiary which in Namibia holds a monopoly on diamond production.

Justice Thirion concluded the company had been overmining the diamond ore reserves at its Sperregebiet (diamond area) claims on the coastline of southern Namibia for at least 20 years.

This "excessive depletion" of the ore reserves had been carried on between 1963 and 1983, with the exception of some years. The judge said the over-exploitation had been done with the aim of maximising profit and to meet "excessive production targets" set for the company by De Beers and by the Central Selling Organisation, which handles all international diamond sales.

According to Mr Justice Thirion's findings, such over-mining was in direct breach of an agreement between CDM and the Namibian administration which gave the company exclusive mining rights in the Sperregebiet.

This agreement, known as the Halbscheid Agreement, was extended in 1941 and again in 1953 to give CDM a monopoly on diamond extraction until December 2010. Under the terms of the agreement, CDM was entreated to mine as "thoroughly and economically as possible" and not with "a view to exhausting the superficial and more valuable deposits to the detriment of the low-grade deposits".

That CDM was engaged in "preferential depletion" of the higher grade deposits meant it had contravened the Halbscheid Agreement, the judge decided.

He added: "The probabilities are that the effect of the excessive depletion of the deposit will be to shorten the life of the mine."

The commission heard evidence from investigator Mr Martin Grote and from Mr Gordon Brown, a former employee at the Oranjemund site.

Mr Grote said he estimated the life of the workings at Oranjemund may have been exaggerated in estimates. He suggested the site might be effectively worked out as early as 1990, compared with estimates which put its life at between 10 and 50 years.

MAXIMISING PROFITS

In his evidence to the commission, Mr Brown said CDM's mining policy changed to one of "maximising profit" in the mid-1970s. Ore treatment increased from 8.5 millions tons in 1967 to 16.9 million tons in 1980. Eventually, the company was working round the clock, with three eight-hours shifts and using four crusher plants, Mr Brown testified.

He added that the mine management had, in 1981, informed the CDM board of directors that overmining was causing revenue to fall sharply.

In his conclusions, the judge asked: "Can Namibia afford to allow a mine which makes such an important contribution to the state coffers as CDM to determine its own rate of depletion of the deposit, or worse, to have that rate of depletion dictated to it by outside interests which for reasons of their own might want to exhaust the CDM deposit before mining other deposits controlled by it in other countries?"

De Beers Controlled Industry

Johannesburg THE STAR in English 10 Mar 86 p 4

[Text]

WINDHOEK — In spite of the "trappings and facade of state control", the Diamond Board was totally ineffective in controlling the export and sale of Namibia's gems, Judge Thirion found in his report on an inquiry into alleged government corruption in Namibia.

He said the control of "all aspects" of the diamond industry, from the production site to the sale on the overseas market, was in the hands of De Beers.

Under its present structure, the Diamond Board is made up largely of Consolidated Diamond Mines (CDM) or De Beers employees who act as "agents" for the board. However, the board's "purported control" remained "a sham" because of this, concluded Judge Thirion.

"The board is composed of members with divergent interests to protect but in any event they are all opposed to any state

regulation of the production of diamonds".

GEMS SWOPPED

The commission had heard evidence from investigator Mr Martin Grote that there was little or no control or accurate records of diamond exports and revenues. He estimated Namibia may have lost revenue on as much as R1 000-million worth of diamonds which were exported between 1978 and 1981.

Mr Justice Thirion recommended the present Diamond Board be reconstituted to become a body of people appointed by the state to "represent the interests of the state".

Its members, he suggested, should be drawn from the departments of finance and economic affairs and include at least one person appointed for his special knowledge of the diamond industry.

New Laws Planned

Johannesburg THE STAR in English 12 Mar 86 p 13

[Article by Brendan Seery: "Windhoek Intends Moving Rapidly to Alter Mine Laws"]

[Text]

WINDHOEK — As multinational companies cry "foul", the Windhoek Government is going ahead with a White Paper on possible amendments to existing legislation — in the wake of startling revelations by the Thirion Commission of Inquiry last week about mining in the territory.

Though he would not be drawn on the contents of the White Paper, Mines Minister Mr Andreas Shipanga promised: "The mining story will never be the same again in this country."

He added that the government would move quickly, because the commission's recommendations were so clear that "we need no further head-scratching".

The commission — headed by Natal Supreme Court judge Mr Justice Pieter Thirion — suggested that widespread amendments be made to existing legislation, including:

- Reconstitution of the territory's Diamond Board so that the interests of the State are represented more fully and the administration has more control over diamonds during the time they are extracted, sorted,

and sent overseas for sale.

- Tightening-up of the procedure for issuing prospecting permits and the granting of mineral rights, to prevent "landlocking" — the practice of tying up claims with no intention of exploitation, so that other prospecting is excluded or monopolies maintained.

TIGHTENING EXPORT RULES

- Revision of existing mining leases and contracts so that "realistic" rentals are paid for mining sites.
- Imposition of a "royalty" on all minerals mined in the territory, rather than relying on irregular income tax payments as compensation to the State for the loss of a non-renewable natural resource.
- Tightening-up of export regulations which permit large quantities of "samples" to leave the country without hindrance, and which keep no effective control on the shipping out of normal mineral exports.
- Closer monitoring by State geologists and other experts of the activities of mining companies.
- Examination of an "over-generous" tax system

which allows mining companies to off-set much of their expense against their income, and therefore pay reduced taxes.

● Thorough investigation into the practice of "transfer pricing" — where multinationals either sell exports to outside affiliates at lower than ruling world prices, or import goods and service from affiliates at higher than normal rates. This is one method, Mr Justice Thirion found, that multinationals operating in Third World countries use to move their profits out of the host country, or to avoid exchange control regulations.

Mr Shipanga and his colleagues have to tread a fine line in formulating their new national mining strategy.

While it is obvious from the commission's findings that the State has little control and little knowledge of the activities of the mining houses operating on its soil, the transitional government cannot impose so rigid a mining code that potential investors will be scared off.

Multinationals such as Consolidated Diamond Mines (CDM), a subsidiary of De Beers, and Tsumeb Corporation, which is largely American-owned, have already rejected the commission's findings.

MAKING THE MOST OF RESOURCES

Both claim they were not given an opportunity to

defend themselves when the commission was carrying out its probe — a charge rejected by Government officials. Tsumeb has even gone as far as to suggest that a panel be appointed to review the commission's conclusions.

What is clear is that the authorities in Windhoek will have to make some moves towards controlling the mining companies and ensuring that the State gets the most out of its own resources.

If the commission's findings are accepted at face value, there would be few who would not understand an independent government wanting to nationalise the multinationals to halt the probable exploitation of the country.

Mr Justice Thirion himself gave this ominous warning when making his findings in the report: "The pretence of the multinational corporation that it is incapable of abusing its power convinces the unwary that there is no need for control".

The judge suggested that the base of a national mining policy should be the premise that the minerals belonged to the people of the country, and that any exploitation should benefit those people.

State controls on the mining sector should also ensure that there was a transfer of technology from multinationals to locals, that repatriation of profits was "slowed down", and that reinvestment of profits by multinationals was promoted.

/12851

CSO: 3400/1310

UGANDA

POLICE FORCE TO BE REDUCED, RETRAINED

Kampala WEEKEND DIGEST in English 27 Feb 86 pp 1, 6

[Text] The present Uganda Police Force may be reduced from [one word illegible] 17,500 men to 6,000 men who will have to undergo retaining alongside new recruits.

Reports reaching WEEKEND DIGEST newsdesk have revealed that among those to be axed include members of the UPC youth fanatics, of the Special Force Unit, and Special Constabularies. The government has reportedly set up a screening team that will undertake its task to leave only about thirty percent of the present police force for retraining. Last Friday, Policemen around Kampala were given questionnaires in a move that was seen as part of the screening programme. Many policemen were worried about the future of their jobs. Asked why many of them had indentified themselves with the ousted UPC regime by going to the extent of wearing UPC party T-Shirts when they were expected to be impartial, a majority said it was not only the police but virtually every government department such as the Coffee Marketing Board, Uganda Airlines, Railways etc. Asked why crime was on the increase while the police only subjected themselves to corruption, the men contended that they were only part of a corrupt system. Reports that the Uganda Prisons Services were also facing similar measures would not be confirmed. Efforts by WEEKEND DIGEST to get comment from the Minister of State for Internal Affairs, Dr Besigye, did not produce fruits.

/12851

CSO: 3400/1309

UGANDA

ANTI-BUGANDA GROUP 'NEW' ESTABLISHED AT MAKERE UNIVERSITY

Kampala WEEKEND DIGEST in English 27 Feb 86 pp 1, 4

[Unsigned article: "Buganda in Real Trouble:]

[Text] An organisation calling itself NEW, North, East and West was recently formed at Makerere University. It's goal is to fight the "forces of darkness," meaning Buganda, it was expressly setup to ensure that the "Nationally unpopular DP" and the "counter progressive Buganda" does not come to power in the guild presidential election. The first meeting of NEW is said to have been chaired by no less an authority than the University Dean George Kihuguru in a room in Northcote Hall.

The heart of the matter is more political than tribal. It centers around two personalities. On one hand is the "D.P. sponsored" James Mugabe who trounced "U.P.C.'s" Ben Bitature in the elections. The pre-election campaigns were marred with verbal violence that saw supporters of James Mugabe running a clandestine newspaper called the "Observer". This paper was circulated only at the campus. It set out to malign Ben Bitature, mentioning for instance that his "O" level performance was very poor, that he was too showy, too proud and that his lack of charisma was offset only by his money. This attack was crowned with a murder attempt. It is alleged that Ben Bitature stabbed a girl resident in Box (Mary Stuart hall) with a broken bottle in what was featured as attempted rape under the effects of "QUORUM". (Enguli) Such a man, Mugabe supporters assert must not even begin to anticipate any responsibility at Uganda's citadel of learning.

U.P.C. and D.P.

At Mugabe's public rallies, Bitature's supporters ceaselessly booed him down as a D.P. and a "Kawanga man" and that in light of D.P.'s recent performance, had no right to lead them. In this they made a grave error. While Bitature was not known as a UPC, Mugabe supporters began interfering with his speeches with the much dreaded song ... eeeh mama Congress party of the people... which effectively decampaigned Bitature.

Westerners

But all this was nothing compared to the reaction to a warning by some students from the west who warned Mugabe's supporters that they could be arrested "because we westerners are in power"!!

It is terrible to imagine that even University students can stoop to such depths in political thought, while the new government is fighting those very evils! Moreover, Mugabe himself is a Munyoro while his mother is Muganda. Unfortunately, the NEW members did not know this.

Some students who approached our Newsdesk were highly incensed with "Uncle" George Kihuguru for trying to have his cake and eat it at the same time.

They noted with fury that in Obote's regime Kihuguru was "an eater".

Further investigations revealed that prior to the July coup, he had written the warden of Nkurumah hall a letter advising him to dismiss David Turyatunga, then D.P. student leader from the hall allegedly because his stay there during the vacation was illegal! Moreover, in collusion with some highly placed ministry of education officials, he had ensured that Turyatunga and other non-UPC law students were barred from attending a law conference/seminar abroad last year. In last year's crisis at Makerere, he, with University Hall warden Kirunda, asked the special force troops to stop the peaceful demonstrations. Now, students note, because he is a Westerner, he thinks he can coax the new government into entertaining such considerations. "He is done for" they swore.

The election has been nullified. Whether the move is popular or not is debatable. However, one mugabe supporter told WEEKEND DIGEST that Mugabe's ouster can be compared to Prof U.K. Lule's and that if he does not win again, the election will certainly have been "rigged by NEW..."

The people who have formed NEW had better watch out. Such alliances by Ugandans against Ugandans will not do. Last year an organisation KGB (Kitgum, Gulu, Buganda) was set up against Obote and Lango and played a great part in the July coup, which coup bore no fruit. If those who loose in the campus election want to "go to the bush" to fight Buganda, they are biting off more than they can chew...

/12851

CSO: 3400/1309

ZAMBIA

MUZ TO PRESS FOR EARLY RETIREMENT FOR RIFFED WORKERS

Lusaka TIMES OF ZAMBIA in English 4 Mar 86 p 1

[Text] **THE Mineworkers' Union of Zambia (MUZ) will soon open negotiations with Zambia Consolidated Copper Mines (ZCCM) to have the impending redundancies of about 3,000 miners turned into early retirement, chairman Mr Timothy Walamba announced in Kitwe yesterday.**

The union would further negotiate with ZCCM on how former members of the controversial Mukuba pension scheme could rejoin and a possible reduction of miners' retirement age from the present 55 years.

Mr Walamba was speaking on the union's priorities during his second term of office after his re-election at the MUZ bi-annual conference in Kabwe last week.

The union was concerned about the company's cost-saving measures in which about 3,000 miners would lose their jobs.

ZCCM chairman and chief executive Mr Francis Kaunda recently announced that the company intended to close down certain mines and other mine operations to save costs and that about 3,000 workers would lose jobs while others would be re-deployed.

The redundant miners would not qualify for retirement benefits.

VICTIMS

The union wants to persuade ZCCM to allow the cost-saving "victims" to go on early retirement. Some of them were members of the Mukuba pension scheme while others had withdrawn.

Mr Walamba called on the company to improve redundancy benefits so those laid off could resettle comfortably back in their home villages.

The Party and its Government had appealed to employers to help form cooperatives in form of small-scale industries for retiring workers.

MUZ was prepared to negotiate with ZCCM management on how the miners who withdrew their membership of the Mukuba pension scheme could rejoin it.

He appealed to miners to urgently submit proposals for amendment to the scheme for ZCCM to consider them through the Mukuba board of trustees.

A number of former members had approached MUZ with a view to rejoining the scheme.

ZCCM had indicated that those who would withdraw from the scheme would not be readmitted.

Mr Walamba said miners who contributed to the scheme were supposed to get contributions at the age of 55 years and that was the time they could receive their ZNPF contributions.

He apologised for the problems which arose from miners' rejection of the Mukuba scheme and accepted full responsibility for it because it was caused by union leaders.

The confusion had arisen in the union leadership because of lack of understanding about the scheme to effectively explain to the members its objectives.

And Cadbury Schweppes (Zambia) of Kitwe has meanwhile declared some 95 workers redundant because of financial difficulties.

A statement from the company's managing director Mr John Richard Bidwell yesterday said the exercise would involve two expatriates.

Because of Zambia's economic situation, his

company had been forced to make substantial manpower cuts.

He said for the past two years, sales volumes had declined dramatically partially because of the discretionary spending power of the public.

"We have advised both the labour office and our union of the problems and we are following procedures laid down in our collective agreement."

Although Mr Bidwell did not give a specific figure of those affected, National Union of Commercial and Industrial Workers (NUCIW) general secretary Mr Ignatius Kasumbu gave 95.

Mr Kasumbu said his union was finalising negotiations of a collective agreement with employers of textile workers.

The negotiations would be concluded by next week and he urged managements concerned to speed up the procedures, "because the workers were impatient".

Mr Kasumbu said NUCIW was getting concerned with rising redundancies mostly in the clothing industry. He blamed that on the foreign exchange auctioning system.

/12851

CSO: 3400/1289

ZAMBIA

UBZ ANNOUNCES DEPOT CLOSURES, LAYOFFS

Lusaka ZAMBIA DAILY MAIL in English 4 Feb 86 p 1

[Article by Dennis Njamba]

[Text]

THE UNITED Bus Company of Zambia (UBZ) has launched a three-point survival plan in which some 600 workers may lose their jobs and 20 depots closed down.

Managing director, Mr Basil Monze, said in Lusaka yesterday that the plan had been launched to bring the company on a sound financial footing by 1988.

He also revealed that the company was intending laying off more than 600 workers and the closure of 20 depots throughout the country if the Ministry of Labour and Social Services would give the go-ahead.

Some of those to be declared redundant may, however, be re-deployed if the company acquired new buses.

The first phase of the programme involves the rehabilitation of 400 buses by April this year in order to boost the fleet of 260 buses which are currently operational.

He said that the company had already bought all the spare parts needed for the rehabilitation exercise which was expected to be completed in April.

The second part of the plan involves an examination of the viability of all branches of the company

and the deployment of manpower.

Mr Monze said under the third plan, the company was requesting the government to help it pay its external debts which had multiplied following the introduction of the foreign exchange auction system.

He said if the Government helped UBZ settle its external debt, the company would be turned into a profit-making organisation by 1988.

The company has already settled most of its local debts and recently completed the payment of about K3 million it owed other companies in fuel supplies.

In addition, the company has bought 30 AVM buses and another 21 Ashok buses are expected to arrive in the country soon from India.

He said the company was recently forced to stop its operations on the Malawi route because of a variance in fares between Zambia and Malawi as a result of the introduction of the foreign exchange auction system.

system and has so far successfully bid for about K60,000 in foreign exchange in the last four months.

The company is not experiencing shortages of both tyres and spare parts, some of which arrived in the country last month.

As a result of measures taken by the company last year, more than K6 million was earned by December last year.

The company has also been finding it much easier to bring in spare parts as a result of the auction

/12851

CSO: 3400/1289

ZAMBIA

YUGOSLAV COMPANY SUES UBZ, ZIMCO FOR PAYMENT ARREARS

Lusaka ZAMBIA DAILY MAIL in English 6 Mar 86 p 1

[Text]

THE UNITED Bus Company of Zambia [UBZ] and ZIMCO have been sued by the Yugoslav company Fap Famos for failing to settle 1.2 million dollars debts for Dubrava buses brought into the country in 1973.

The three organisations are to appear in the International Industrial Court in Paris at a date to be fixed this month.

This is contained in an action-taken report on the parliamentary committee report on parastatal bodies which has been tabled in Parliament.

Contacted for comment UBZ managing director, Mr Basil Monze, said his company was aware of the case: "We have not yet agreed on the date because we still have to pay a fee to the arbitrators, the International Industrial Court dealing with commerce."

The report further states that no counter-claim exists in relation to any of the Dubrava buses that failed prematurely.

Apart from this, UBZ owes a number of foreign organisations substantial amounts for buses which the company imported. The companies owed include TATA of India which supplied buses.

UBZ's external debt burden stands at 15.074 million United States dollars and the company has since asked government to take it over.

The report says: "Management reckons that if the loans repayable in foreign exchange are taken over, UBZ can become profitable during the financial year 1987/88."

The request to government to take over the debts was contained in the company's Survival Action Plan submitted to ZIMCO. UBZ was worried about debts' huge escalation upon the depreciation of the Kwacha following auctioning of foreign exchange. The 15.074 million dollars was as at January 31, this year.

Another result of the Kwacha depreciation before auctioning was that although the net loss for 1984/85 was budgeted at K12 million, in fact, it turned out to be K22.769 million.

The report also notes that prominent problems which have dogged the company, outside management's control, hampering efficiency included huge debts from previous years, uneconomical fares

leading to liquidity problems.

Others are insufficient foreign exchange for new equipment, spares, tyres and tubes and low number of buses in relation to requirement.

In recent times, the company has achieved a lot in that the problem of uneconomical fares and foreign exchange had been overcome and the liquidity problem improved tremendously with the exception of foreign debts.

The report also notes that UBZ was under pressure from government to import Zamcabs which never produced sufficient

revenue for the company to cover running costs.

Although the then general manager of the company was unhappy with the way the transaction was handled, the programme went ahead.

The report notes that Modern Auto Services Limited, the Zambian agents, appear to have made large profits on the Zamcabs but did not live up to expectation in supplying spare parts and other necessary back-up service.

The landed cost at Beira, of a Zamcab was only K2,510 but UBZ bought them at K3,875.

/12851

CSO: 3400/1289

ZAMBIA

POLICE THWART PLANNED TEACHER'S MEETING IN KALULUSHI

Lusaka TIMES OF ZAMBIA in English 11 Feb 86 p 1

[Text] Police in full riot kit disrupted a planned meeting of teachers in Kalulushi and forced them to readmit miners' children into classes yesterday.

The teachers had abandoned classes to attend the meeting called to decide whether to comply with the Minister of General Education and Culture Mr Basil Kabwe's order to accept back more than 8,000 miners' children who were sent away last week.

The Zambia National Union of Teachers (ZNUT) members had insisted to keep away the pupils from Government schools because of the Zambia Consolidated Copper Mines (ZCCM) regulation which did not allow non-mine employees access to medical facilities at Chibuluma Mine Hospital, housing and transport facilities.

Teachers had converged at Chavuma Primary School where they were expected to be addressed by union officials.

But as they waited for the meeting to start, word reached them that riot police were on their way to the school. At the time, ZNUT officials led by district chairman Mr Frackson Gondwe were negotiating with education officer, Mrs Theresa Sampa to allow them to use the school hall to address the teachers.

Police in Land-Rovers drove to all the schools to ensure the teachers were at work after finding that they had dispersed from Chavuma.

Mr Kabwe warned teachers in Kalulushi and Chambeshi that their action was unforgivable.

He said by sending away miners' children from Government schools teachers were committing an offence.

/12851
CSO: 3400/1289

7 April 1986

ZAMBIA

GOVERNMENT FORCED TO RESCIND FERTILIZER PRICE HIKE

Parliament Passes Private Bill

Lusaka TIMES OF ZAMBIA in English 13 Feb 86 p 1

[Excerpt]

GOVERNMENT suffered a major defeat in Parliament yesterday when the House passed a private member's motion to nullify the recent fertiliser price increase.

This means that the Government will have to reduce the price of the commodity from the present K48 to K26.75 per 50kg bag.

The motion moved by Bweengwa MP **Mr Rex Natala**, received overwhelming support from backbenchers who voiced strong fears of an imminent increase in the price of mealie meal if fertiliser became costly.

Pemba MP **Mr Landson Hantuba** who had earlier moved a motion calling for a reduction in the fertiliser price from K48 to K40.75, withdrew his motion in favour of an amendment by Mr Natala who asked the State to revert to the old price of K26.75. The amendment was seconded by Liuwa MP **Mr Namushi Namuchana**.

Debating the motion, members asked Government to find money to subsidise the commodity because consumers could not afford another increase in the price of mealie meal

which, they argued, was imminent as long as fertiliser and other inputs were expensive.

Supporting the motion, **Mr Dawson Lupunga** (Masaiti) said the Government must subsidise the staple food to ease the people's hardships.

He accused Government of paying lip-service to agriculture and wondered why the treasury should allocate K12 million towards the construction of the Party headquarters at the expense of agriculture.

Mr Mulondwe Muzungu (Chizela) said the recent increase was unacceptable because it would result in a sharp rise in the price of mealie meal, thereby increasing cases of malnutrition as most consumers could not afford mealie meal.

He said the increase would "kill" agriculture and asked the State to think of measures that would boost production.

Mr Munukayumbwa Sipalo (Mongu) said the "Zambian masses were literally tired of price increases and should not be burdened further with yet another increase in the price of mealie meal.

Kanyama MP **Mr Alayo Hambayi** said the timing of the increase was wrong and pointed out that this was a crucial factor in agriculture.

Mr Mark Tambatumba (Kasempa) urged the State to rescind the increase because of the adverse impact it would have on consumers.

Katete South MP **Mr Joseph Mbewe** told the House that Zambia's national grain requirement including that of livestock was eight million bags annually. But in the 1982/83 season, the Government imported 60,000 tonnes of maize worth K11,320,755.

The following season, the Government again imported 130,982 tonnes of the crop at the cost of K25,465,969. In the 1984/85 period, the state imported 81,137 tonnes of maize worth K22,237,489. These figures did not include those for rice, wheat and fish imports, he said.

Mr Mbewe said this money spent by the Government to import maize meant that Zambia was supporting agricultural programmes of other countries.

7 April 1986

Farmers Welcome Lower Prices

Lusaka ZAMBIA DAILY MAIL in English 17 Feb 86 p 3

[Text]

FARMERS on the Copperbelt have welcomed the reduction of the price of fertiliser but fear that it may go up again.

Chairman of the Copperbelt West Farmers Association Mr Les White said while farmers were pleased that the price had been reduced, they were also unhappy at the manner in which the issue had been handled.

He felt that a more co-ordinated method of arriving at the price should have involved the government, Namboard and the farmers representatives.

He said there is no doubt that Namboard will have to raise the price of the commodity sooner or later because of rising costs.

Mr White said the situation would have been avoided had the issue been amicably discussed by parties concerned. While farmers did not approve of the doubling of the price by Namboard, they accept the fact that it had to go up by some reasonable margin.

Mrs Jill Wright of Border Farmers Co-operative said many farmers were thrilled with the reduction in prices. It would make a big difference for many of them.

Meanwhile, farmers on the Copperbelt have em-

barked on a cost reduction campaign by directly bidding for foreign exchange to enable them import inputs.

Mr White said since the introduction of the foreign exchange auctioning system, farmers were also bidding for foreign exchange through the Border Farmers Co-operative.

Border Farmers Co-operative was formed to spearhead the importation of farming inputs.

So far the co-operative has been able to import coarse salt and was last week bidding for foreign exchange to import vehicles.

With the availability of farming inputs at lower prices, farmers in the province hoped to lower the prices of produce.

Mr White said he was happy that the government had taken seriously the development of agriculture.

He praised the government for giving the farming community real incentives.

He said Zambia had the ability to produce enough food as long as farmers were given support.

He protested at high interest on farming implements saying unless something was done, farming would be adversely affected.

/9317

CSO: 3400/1277

ZAMBIA

PARTY BARS NON-MEMBERS FROM RECEIVING FAMINE RELIEF

Lusaka TIMES OF ZAMBIA in English 15 Feb 86 p 5

[Text]

THE Party in the famine stricken Imusho area in the Western Province has barred non-Party members from receiving their regular food supplies.

The Party resolved at a meeting held this week that no villagers would be given 20 kg of maize supply until their membership to the Party was ascertained.

According to minutes of the meeting signed by Imusho ward chairman Mr Brown Mulibe, the Party membership in the area was low and villagers were warned of the move last year and knew what to expect.

"The chairman warned all Party members last year

to renew their Party cards in January without fail. He told the members that no one in Imusho ward would receive maize without renewing his or her UNIP card," the report said.

Those who wanted to buy new cards had to produce their green national registration cards and the 87 who had applied for identity cards were urged to join the youth league.

The members present at the meeting unanimously resolved that non Party members should not be given food.

The ward leaders called on the Government to consider clearing and gravelling the Imusho road because of its strategic importance.

They said the road which leads to the Namibian border and Angola was the most important of all feeder roads and there should be no question of lack of funds this year.

The Government had been making empty promises since Independence. They called on President Kaunda to intervene should nothing be done this year.

Because of illegal crossing from Zambia into Namibia and Angola, it was resolved that a customs and immigration office be constructed in Imusho this year.

A police post should be established and a local court which has been neglected since 1971 be improved to expedite the settling of cases like in other wards.

The area which has been adversely affected by drought needed wells to be dug in Malambo, Kataa, Imusho school township, Mutenyani village, Natau, Kanyanda and Mbao areas.

Mr Mulibe thanked the members for their wonderful contributions to the meeting and urged all ward secretaries to sell Party cards and work hard to develop their areas.

ZAMBIA

DEBTS, OIL IMPORTS IN AUCTION MAY DECREASE VALUE OF KWACHA

Lusaka ZAMBIA DAILY MAIL in English 20 Feb 86 p 1

[Text]

THE inclusion of petroleum imports, Zambia Airways and TAZARA payments into foreign exchange auction system may lead to a further fall in the value of the Kwacha, chairman of the Zambia Industrial and Commonwealth Association [ZINCOM] Andrew Kashita said yesterday.

Mr Kashita said although money for auction had been increased, the demand for it will be higher due to the inclusion of petroleum imports, Zambia Airways and TAZARA foreign payment.

Petroleum imports and payments of Zambia Airways and TAZARA foreign obligations needed large amounts of money and their inclusion will reduce the amount offered in the weekly auctions.

The Bank of Zambia on Tuesday increased the auction money from five million to nine million dollars but also expanded the range of transactions for which bids will be accepted.

All petroleum imports, Zambia Airways payments for International Air Travel Association [IATA] obligations and all foreign obligations incurred by TAZARA will now be made with money obtained from the auction floor.

Mr Kashita said businessmen appreciated the move to increase the auction money but were unhappy over the decision to increase the range of transactions for which money had to be extracted from the auction system.

He said the inclusion of transactions into the auction system would reduce the availability of foreign exchange for investment.

/9317
CSO: 3400/1286

7 April 1986

ZAMBIA

BACKBENCHERS CRITICIZE ROLE OF ASIAN TRADERS

Lusaka ZAMBIA DAILY MAIL in English 5 Mar 86 p 1

[Excerpt]

ASIAN traders came under fire in Parliament yesterday from backbenchers who deplored their exploitative tendencies which might cause violence if left unchecked.

Several MPs also called on government to dissolve the Department of Price Control because it had become irrelevant in the present system of price decontrol.

Contributing to the debate on estimates of expenditure for the Ministry of Commerce and Industry, Mr Munukayumbwa Sipalo (Mongu) said traders of Asian origin were exploiting the people and wo-

ndered whether leaders had failed to stop this because they owed Asians money.

He noted that it was saddening that half of Lusaka had been taken up by the same group of traders who charged exorbitant prices which a majority of Zambians could not afford.

He singled out "My Own Grocery" in Cairo Road as one such centre owned by an Asian who discriminated people and charged exploitative prices.

Mr Titus Mukupa (Nchanaga) said Zambia would soon become like Kenya or Uganda if government failed to control the situation in which Asians had the economy in their hands.

/9317

CSO: 3400/1286

7 April 1986

SOUTH AFRICA

U.S. FOOD AID DIVERTED; REPORTEDLY BEING SOLD BY DEALERS

SUNDAY TIMES Investigation

Johannesburg SUNDAY TIMES in English 16 Feb 86 pp 1, 2

[Article by Kevin David, Neil Hooper and Deanna Galbraith]

[Text]

AMERICAN-made food powder — Intended for famine relief in impoverished Third World countries — is being sold by South African dealers at cut-rate prices.

A Sunday Times investigation has revealed that many tons of the high-protein powder have been mysteriously diverted onto the South African market.

This week a Sunday Times reporter bought a bag of the powder from a dealer in Brakpan for R8.

The dealer's associate in Johannesburg said he could supply 4 000 bags by next week.

A large stockpile of the powder was found at the Kazerne railway depot in Johannesburg, but it was not for sale.

In all cases, the dealers became reticent when asked about the origins of their supplies.

The 22kg bags are clearly marked to indicate that they have been provided "by the people of the United States of America — not to be sold or exchanged".

Audit

The food powder is called Corn Soya Milk (CSM) — a very high protein food produced for the American Government expressly for purposes of famine relief.

Told that CSM was on sale in South Africa, the United Nations World Food Programme in Botswana yesterday undertook a hasty audit of its books and found that it had been short-supplied by about 400 tons in consignments delivered in December 1985 and January this year.

The American Food for Peace office, which works with the UN agency, said it was taking the matter "very seriously" and had instructed officials to begin an investigation immediately.

On Friday a Sunday Times reporter bought a bag of powder from a Brakpan construction company headed by a prominent local businessman, Mr Hennie du Plessis.

It cost R8. No receipt was received and no tax paid. No bags were on display — one was brought from a back store-room on request.

Warehouse

It was marked as having been produced in America as part of "Contract No K (GF) 01384" of the United Nations World Food Programme.

On the bag was a large red and blue stars-and-stripes insignia with clasped hands in the middle.

The railway tag on the bag was marked February 2 1985 and came from an Eastern Transvaal railway depot, Waterval-terrein.

Later Sunday Times staffer Kevin Davis, who posed as a member of the public, placed a verbal order for 4 000 bags with Mr du Plessis in order to assess the scale of his dealings in the food powder.

At first Mr du Plessis said there were only between 50 and 60 bags available.

"We've got bad news for you," he said.

"The big companies have already jumped in and taken a major

slice, but we'll try to organise 4 000 bags early this week."

He said he was aware that the bags were not allowed to be sold, but he had been buying his supplies from a Mr Paul Pretorius in Johannesburg. He had been dealing in the powder for about a month.

Mr du Plessis said he didn't know how much Mr Pretorius paid for the powder, or where he obtained his supplies.

"All I know is that it comes from America," he said.

Mr du Plessis said he had fed the powder to his black staff, his pigeons and his animals.

When Davis approached Mr Pretorius (again posing as a member of the public) he said several thousand bags of the meal were stored in his Braamfontein warehouse.

Mr Pretorius said he supplied Mr du Plessis in Brakpan, to whom he had sold the distribution rights.

"If you want prices you'll have to talk directly to Henrie (Mr Du Plessis)," he said.

However he insisted on delivering the consignment personally so that "things don't get out of hand".

"You can inspect the goods when we open on Monday morning," Mr Pretorius said.

When the Sunday Times returned to Mr du Plessis' premises in Brakpan for further comment, he had left with his family for the weekend.

His foreman, Mr Douw Steyn, was in charge of the business.

Mr Steyn said that they had already made a considerable amount of money selling the powder.

"There is a lot more to be made," he added.

He said that R8 for a bag of powder was a reasonable price.

"If you buy a large quantity you'll get a discount," Mr Steyn said.

In the excess goods warehouse at Kazerne, the sprawling railways depot south of

Johannesburg's city centre, Sunday Times reporters found large quantities of the powder.

A chief Railways inspector, Mr D Osche, said the consignment was being handled by a shipping agent, who would soon destroy the bags.

Mr Osche said the bags were worth R6 each, but he declined a specific offer to buy one bag.

Pressed for information about the powder, Mr Osche said: "If the Press finds out about this, we're finished."

"A lot of people will be mad about this overseas."

Visit

"These bags are not allowed to be sold or exchanged according to the packaging."

He said a representative of the shipping agents had visited the depot earlier in the day.

"We were ordered to keep this quiet."

Mr Osche showed the reporters a locked, fenced enclosure in the warehouse where more than 600 bags of the powder were stacked.

"I can't even open this section for you to get a closer look," he said.

"We've received consignments before, but this is the biggest supply we've ever had," Mr Osche said.

The Sunday Times then approached the well-known shipping agents, Gundelfinger and Sons, for comment.

Confirmed

An employee at their Johannesburg office, Mr S Barnard, at first denied any knowledge of the powder.

However, when the bags were described to him he confirmed that his company had been handling the shipping of famine relief food in Southern Africa.

He said he could offer no explanation as to how the food had reached private dealers.

7 April 1986

Concern Over 'Diverted' Aid

MEMBER countries of the United Nations contribute huge amounts in cash, food and services for emergency relief to victims of natural disasters and to provide support for developing countries.

Two years ago the amount was R21-billion.

In America, contributions are made through the Food for Peace office of the Bureau for Peace and Voluntary Assistance.

When he was approached on Friday, the deputy co-ordinator of the office, Mr Steve Singer, took only a few hours to identify the bag of powder which was sold to the Sunday Times in Brakpan.

He said it was part of a consignment from his office to Mauritius last year.

En route 816 tons of CSM powder was diverted to Botswana through South Africa, apparently as an emergency measure.

Mr Singer has now instructed special investigators to establish what happened to this consignment.

Mistake

He said that CSM, which was manufactured in factories in the midwest of America, was not usually sold on the open market.

"We produce it to provide a high food content, and people in South Africa may mistake it for maize meal," he said.

"It is made from corn, soya beans and milk, and has a

much higher protein content than a normal person requires. It does not require cooking; you only add water."

Mr Singer said it cost the US Government about R20 to produce a 22kg bag of CSM.

He said its sale in South Africa was being viewed "very seriously".

Asked what action might be taken, he said this would depend on "what is available in law".

The representative of the UN Development Programme and head of the World Food Programme in Botswana, Mr Hans von Sponeck, said the WFP should have received two consignments of CSM powder totalling 4 400 tons between December 1985 and January this year.

Explain

After checking receipts it was established that only about 3 900 tons was received.

"We will be asking our shipping agents to explain this."

He said one of the major shippers of WFP consignments to African states such as Botswana and Lesotho was a firm with its head office in Johannesburg, and branch offices on the coast.

A senior employee of the firm said that his company had not handled the consignment which included the bag of CSM bought by the Sunday Times.

No Comment From U.S., RSA Officials

Johannesburg BUSINESS DAY in English 17 Feb 86 p 3

[Text] No comment could be obtained from US and SA officials yesterday on reports that US famine relief supplies were being sold in SA.

US embassy officials said they were not in a position to comment, while a spokesman for the SA Department of Foreign Affairs said the department had not yet investigated the matter.

It was reported that large quantities of 22 kg sacks of instant corn soya milk (CSM), a high protein food destined for famine-stricken Third World countries, had been diverted to SA and were being sold on the Reef at R8 a sack -- although clearly marked "not to be sold or exchanged."

7 April 1986

Apparently a large stockpile of CSM was found at the Kazerne railway depot in Johannesburg.

Minister of Transport Statement

East London DAILY DISPATCH in English 19 Feb 86 p 13

[Text]

JOHANNESBURG — The mystery of what appeared to be missing tons of US-sponsored famine-relief food appears to have been solved.

A Sunday newspaper reported that bags of the soya-milk powder, destined for the starving in Botswana, were being sold by Johannesburg and East Rand businessmen.

However, in a statement issued yesterday, the Minister of Transport, Mr Hendrik Schoeman said 22 tons of the total of 65 000 tons of the powder shipped through Durban harbour from January 1985 to January 1986 had been sold by the South African Transport Services (Sats) at a public auction to defray costs.

The powder had been shipped from the USA by the United Nations World Food Programme (WFP) for distribution by rail and road to its agents in Botswana, Lesotho and Swaziland, Mr Schoeman said.

The 22 tons had landed in the excess depots in Kaserne, outside Johannesburg, and Kimberley because of non-delivery or under-delivery of some small consignments.

"A part of the traffic in

the excess depots was sold by public auction to make good those claims which had been paid for.

"The sales have now been stopped and there are negotiations with the firms concerned to accept the undelivered cargo pending the finalisation of the firms' claims," he said.

Mr Schoeman said the whole issue was being investigated by the Railways Police to ensure no Sats personnel had been involved in irregularities.

The Acting Commissioner of Railways Police, General Robbie Robbertze, who is heading the investigation said: "At this stage there is no evidence of theft or fraud."

It appeared, he said yesterday, that the bag of soya milk powder sold by a Brakpan businessman to a newspaper reporter had been obtained legally.

He emphatically denied the existence of 4 000 bags which one of the businessmen allegedly had access to.

Meanwhile, a Botswana representative of the WFP was in Johannesburg yesterday, apparently for discussions with Sats officials over the food-aid scandal.

CSM Destined for Botswana Missing

Johannesburg BUSINESS DAY in English 20 Feb 86 p 3

[Article by Thelma Tuch]

[Text]

THE 500 tons of corn soya milk the World Food Programme in Botswana reported missing is not in South Africa.

Head of the programme in Botswana, Hans von Sponeck, added yesterday that their shipping agent, Gundelfinger & Son, had confirmed that the entire

4 400 tons of the last consignment had been dispatched from Durban to Botswana.

Von Sponeck had earlier disclosed that 500 tons of its last 4 400 ton consignment, destined to reach the WFP in Botswana between December and January, had not been received.

This led to speculation that the missing famine relief powder could be linked to a *Sunday Times* report that bags of CSM — famine relief for impoverished countries — were being sold by South African dealers.

After confirmation that the entire consignment had left Durban, Von Sponeck said he was now trying to trace the missing supplies. He added that shipping delays were also common.

His investigation was sparked off by the weekend report to which Transport Minister Hendrik Schoeman reacted this week.

Schoeman said 22 tons of the total of 65 000 tons of the powder shipped through Durban harbour from January 1985 to January 1986 had been auctioned by South African Transport Services (Sats) to defray costs. The 22 tons, he said, had landed in the excess depots in Kaserne and Kimberley due to non-delivery or under-delivery of some small consignments.

Responding to this, Von Sponeck explained that each year about 60 000 tons of American-produced food for famine

relief destined for Botswana alone was shipped via South Africa. It was inevitable that a certain amount was lost in transit, he said.

When losses were higher than 5% a shipment, the WFP submitted a claim to Sats. If Sats couldn't trace the consignment, the WFP was entitled to reimbursement.

However, sometimes Sats discovered the consignment after paying out. In such a case the consignment legally belonged to Sats and it was entitled to sell the shipment.

He said he had received reassurance during "high-level" meetings that Sats, SAP and the Minister of Trade were investigating the situation.

Asked whether it was not morally questionable to sell food meant as famine relief, instead of redirecting it to its rightful destination, Von Sponeck said it was unlikely the powder concerned was fit for human consumption as it had a shelf life of only six months.

RICHARD WALKER in New York reports World Food Programme headquarters in Rome is investigating the sale.

One theory is that the sacks came from Lesotho, where the WFP has a long-standing operation. If so, the supplies might have been smuggled back by mineworkers or others, officials surmise.

UN Issues Warning

Johannesburg SUNDAY TIMES in English 23 Feb 86 p 2

[Text]

MOST of the famine-aid corn soya milk (CSM) powder being sold in South Africa is probably no longer fit for human consumption, says the UN World Food Programme.

Mr Hans von Sponeck, WFP head in Botswana, says the bag bought by the *Sunday Times* in Brakpan recently was from a consignment off-loaded in Durban harbour in January last year — 13 months ago.

He says CSM powder has a maximum shelf life of six months, after which it is no longer considered safe for human consumption and should be destroyed or used only as animal feed.

Many blacks buying the powder from South African traders are using the high-protein food as a supplement to their diet.

This week, 50 bags of the controversial CSM powder were given to Operation Hunger by milling company Kahn and Kahn.

Auction

The managing director of Kahn and Kahn, Mr A Kahn, said the bags were bought at a railway auction in February last year.

"A third party used our warehouse to store the CSM. We decided the best thing to do with the food was to give it to Operation Hunger where it could be used most effectively," he said.

Mrs Ina Perlman of Operation Hunger said they would make sure the food was fit for human consumption before distributing it.

Mr von Sponeck said the *Sunday Times*' disclosure last week of the sale of CSM powder in this country led to a thorough audit of WFP books in Botswana.

The audit revealed the organisation was short-supplied by 325 tons.

The Minister of Transport, Mr Hendrik Schoeman, said this week that SATS auc-

tioned 22 tons of the powder after non-delivery.

The Sunday Times has established that earlier this month SATS approached the WFP, saying that it wanted to reach an alternative arrangement for disposing of CSM and other WFP cargo that accumulated in SAR depots around the country.

Embarrassed

SATS had felt that auctions could be "politically embarrassing" if they became public knowledge.

It has now been suggested that SATS send any WFP ex-

cess goods found in South Africa to Maseru.

In a brief statement issued yesterday, the SATS public relations officer, Mr Leon Els, said the SATS administration had been embarrassed by the famine food being auctioned publicly.

"But we will make sure this does not occur again.

"The bags were clearly marked 'not to be sold or exchanged' and I can see why people were upset.

"I can confirm the railways police have completed their investigations and no irregularities by their staff were found."

/12851

CSO: 3400/1240

SOUTH AFRICA

TERMS OF ISRAEL'S DEALS WITH HOMELANDS QUESTIONED

Pretoria DIE AFRIKANER in Afrikaans 12 Feb 86 p 7

[Text] We have already written on several occasions that the eagerness of the government to successfully implement the homeland policy is often coupled with overly hasty agreements and poor planning. The homelands are almost entirely dependent on the taxpayer in SA, and it is thus he who must bear the brunt of ineffective administration and irresponsible expenditures and projects.

The irresponsible taxation policy of several homelands erodes the South African tax base and creates unknown opportunities for tax evasion and dodging.

Moreover, it now appears that the homelands have entered into agreements with Israel for the establishment and development of projects that, to put it mildly, are extravagantly expensive and that are being secretly awarded. This is contrary to tender regulations. Most projects are to be paid for in foreign currency, half of the costs and more are in many cases to be paid in advance, while imported machinery and equipment apparently has to be purchased in Israel at extremely high prices. This situation must end. If this cannot take place on the basis of rational and mutual understanding, then a rough calculation should be made of the costs of the detrimental effects on the South African treasury, and that amount should be subtracted without further ado from the annual transfer payment.

The leaders of the various national states cannot afford to make a fuss. After all, they are living like princes on our money. It is just too bad that many White officials are involved in devising all sorts of dubious schemes. The rumors going around about large-scale corruption cannot be dismissed without further investigation.

Something must be done about this matter as soon as possible. The whining by the Department of Foreign Affairs that "diplomatic relations" are being disturbed is of secondary importance if it comes to the financial consequences that are presently being perceived.

We are in favor of the homeland policy but believe that sufficient guarantees through agreements must be created so that the South African taxpayer is not adversely affected. Actions by the national states cannot be to the disadvantage of SA as a whole and to the advantage of certain individuals.

7 April 1986

SOUTH AFRICA

HNP LEADER CALLS FOR ACTION AGAINST TUTU

Pretoria DIE AFRIKANER in Afrikaans 29 Jan 86 pp 1, 13

[Text] Strong action against the Anglican bishop of Johannesburg, Bishop Desmond Tutu, has been demanded by the leader of the HNP, Mr Jaap Marais.

Mr Marais, who spoke to a large public gathering at Ellisras in connection with the recent terrorist attacks in that area, said that there is a close connection between the terrorist attacks and local agitation by people like Bishop Tutu.

Mr Marais' call for action against Bishop Tutu coincides with growing public indignation after the bishop expressed his open support for the ANC.

Mr Marais said that clergymen like Bishop Tutu, Dr Nico Smith, Dr Allan Boesak and Dr Beyers Naude are using the pulpit as a bulwark for agitation.

"If it is necessary to take action to wipe out terrorist nests in Botswana, Zambia and Zimbabwe, it is just as necessary that the government take action against these agitators who are working at making South Africa ungovernable. If we are going to hesitate because a person occupies a position in the church and for that reason cannot be touched, then we will reap the fruit of this in increasing violence."

However, the government is unable to take action against the Left because it is fighting Afrikaners on the Right, Mr Marais said.

Mr Marais emphasized the fact that domestic unrest is an extension of the terrorist war that is being waged against South Africa from abroad. It is the same forces with the same goal that are waging the war domestically. It has always been the formula of South Africa's enemies that pressure from the outside be matched by pressure from within. This is exactly what is happening now: as military, economic and diplomatic attacks from the outside increase, domestic unrest is intensifying.

According to government policy, Blacks will be able to become members of the government, Mr Marais said. "How is this different from what the terrorists want? The ANC knows that Blacks will eventually be the majority in the

government. However, the first step is to simply accept Blacks in the government. This is exactly what happened in Rhodesia."

Through its continual concessions, the government is in the process of destabilizing South Africa, Mr Marais said.

Earlier in his speech, Mr Marais warned that South Africa's position with respect to the terrorist attacks has grown much worse than any time since they began 18 years ago. Where terrorists previously operated on the borders of Mozambique, Angola and Rhodesia, this protective zone has now been removed and attacks are now being made on South Africa's borders.

The turning point of the war was probably in 1974 when the government set out on its so-called policy of detente, Mr Marais said. Because the government decided that the price of fighting was too high to pay, the South African Police was withdrawn from what was then Rhodesia, and Rhodesia was forced by the government to accept a Black government. Afterwards, Mozambique was turned over to the communist FRELIMO gang.

The belt of communist states north of South Africa largely came about as a result of the actions of the South African government. Former Rhodesian Prime Minister Ian Smith said last November that the unilateral declaration of independence failed because South Africa turned against him. It was Mr John Vorster who decided Rhodesia's lot when he refused to continue supporting Rhodesia, Mr Smith said.

Mr Marais said that South Africa has a government that has become afraid to govern. The government no longer listens to the needs of the people, but instead to the threats of the enemies of White people.

"This government is standing between Whites and their future. If you want to see faith restored in this area, then a government must be put in power that will restore confidence in politics."

"The terrorist war can and must be won. If the faith of White people is to be restored, the terrorists must be defeated militarily," Mr Marais said.

12271

CSO: 3401/98

7 April 1986

SOUTH AFRICA

RECOGNITION OF BLACK MINERS UNION SEEN AS DANGEROUS

Pretoria DIE AFRIKANER in Afrikaans 29 Jan 86 p 5

[Text] The clash between the Black mineworkers union, the National Union of Mineworkers (NUM), and the Gencor group has emphatically underlined the dangers resulting from the government's recognition of Black labor unions.

This is the attitude of Mr Arrie Paulus, general secretary of the [White] Miners Union. Mr Paulus was approached for comments in connection with the dispute between Gencor and the NUM concerning the firing of Black miners at the Marievale gold mine. The Rand Supreme Court upheld a ruling by the Industrial Court that the firing of 300 miners who legally went on strike was an unfair labor practice.

Black labor unions are leaning towards politics to an increasing extent, Mr Paulus told DIE AFRIKANER. Now that the government has recognized them, it will have to do something to keep their political role in check.

He hopes that other mining groups take the strong approach of Gencor, but since Black labor unions have been recognized, illegal strikes offer the only opportunity for strong action.

The NUM demanded that Black miners' wages, which at that time averaged approximately 350 rands a month, plus free lodging and medical benefits, be raised by 19 percent. The other mines agreed to this, but Gencor offered a raise of 14 percent. The NUM rejected this and initiated a legal strike.

However, in such a case, the rights of the worker must be protected, Mr Paulus says. He agrees with the Industrial Court that it is an unfair labor practice to victimize legally striking workers by firing them. The White Miners Union has long been an advocate of this policy, and the Blacks are now reaping the fruits of it.

The decision by the court should be extended even further to declare the withdrawal of housing and medical benefits from legally striking workers as an unfair labor practice.

The Black labor unions should never have been recognized, Mr Paulus says, but attacking the position of the worker in general is not the way to fight them.

12271

CSO: 3401/98

7 April 1986

SOUTH AFRICA

SABRA'S REACTION TO BOTHA SPEECH REPORTED

Pretoria DIE AFRIKANER in Afrikaans 12 Feb 86 p 2

[Text] The government's policy is a failure and will result in disaster because it views South Africa as a country of one nation, one citizenship and one constitution.

This was the reaction of SABRA to the announcements made last week by the state president, Mr P. W. Botha, when he opened Parliament. The statement was signed by Prof Carel Boshoff, chairman of SABRA.

SABRA says that Mr Botha's opening speech contained stories of failure and disappointment under a political dispensation about which SABRA has warned from the outset that it would result in disaster. Thus, attempts to get Blacks on the President's Council have failed, as well as the so-called "forum."

SABRA declares that these failures are apparently the reason that it has now been decided that a National Statutory Council is to be set up.

It appears from Mr Botha's opening speech that "apartheid" has become outdated, that influx control has failed, that domestic unrest has not stopped, that the state of emergency continues to be in effect, that foreign attacks are on the rise, that economic attacks are continuing to hurt and that there is no sign of an imaginative plan for the future.

"The fundamental weakness in the political system, and the basic reason for all the failures and setbacks, is the government's starting position that South Africa is a country of one nation, one citizenship and one constitution.

"As long as this position is in force, Blacks will continue to ask why political power is not in their hands. If the new National Statutory Council does not quickly provide an answer to this that will satisfy Black leaders, then it too will fail."

SABRA says that Black leaders are not interested in a gathering of minorities and in the protection of minorities. They see this as something in which only Whites are interested, now that a Black takeover of power is in sight. Their choice is one man, one vote; all other arrangements are temporary. The fact

that the question on how a constitution is to be written such that one group does not dominate another one has not yet been answered is proof enough that it cannot in fact be answered and that a precondition such as that would sooner or later have to be dropped.

"The road chosen by government leaves it no other choice than to abandon power. This is inevitable in a unified state.

"SABRA respectfully points out that the Afrikaner people is a nation of people and that it cannot be reduced to a "group" by legislation. As a nation of people, it is entitled to self-determination in its own country. As a minority group, it is not entitled to anything; it is handed over to the mercy of others.

"The government's intention is to restore one citizenship in this country, to revise White immigration measures, to abolish influx control and to condemn and dismantle all separation of nations of people as discrimination, to cut away at the roots of Afrikaner continued existence and the continued existence of all small nations of people.

"Struggle, uprest and bloodshed will increase in the unified state. This vision of the future must be changed by accepting the idea of every sovereign nation of people, in its own territory and under its own rule, as a starting point. This is the enduring principle for the peaceful coexistence of nations of people. This is the alternative," SABRA declares.

In its reaction to Mr Botha's speech, the Association of Orange Workers says that as an Afrikaner organization, it rejects unconditionally the principle of a unified state with common citizenship for South Africa. This will inevitably lead to domination over the Afrikaner people. The Orange Workers also reject the idea that the Afrikaner's self-determination in a unified state can be effectively protected by minority guarantees. The Afrikaner is a separate nation of people entitled to self-determination with a historic right to its own state. The organization demands a separate and exclusive state for the Afrikaner and for Whites based on the concept of partition, which was the underlying principle for the creation of separate Black states.

12271

CSO: 3401/101

SOUTH AFRICA

POSITION OF RIGHTIST GROUPS ON BOER HOMELAND DISCUSSED

Pretoria DIE AFRIKANER in Afrikaans 12 Feb 86 p 5

[Text] There is growing concern in HNP circles about the possibility that another rightist political party may be founded around the idea of a Boer national state and about the further division that this will cause among Afrikaners.

The possibility of a party with the Boer national state as a central principle was heightened by last year's congress on the national state in Pretoria. The most recent issue of ORANJE-PERSPEKTIEF, the mouthpiece of the Association of Orange Workers, says that "a new group" was formed during the congress around the idea of a national state. "The ideal of a Boer national state as a political alternative has been put directly in the forefront of South African political life," the newspaper says. ORANJE-PERSPEKTIEF also says that Afrikaner unity at any price is strongly rejected. "Unity will be sought on principle, namely, on the principle of a Boer people, free in its own state..."

The speakers at last year's congress were the leader of the AWB, Mr Eugene Terre'blanche, the chairman of the Association of Orange Workers, Prof Hercules Booysen, and Mr Jan Groenewald, Mr Pieter Bruwer, Mr Frik de Beer, Mr Robert van Tonder, Mr Hendrik Verwoerd and Dr J. H. Barnard. Prof Alkmaar Swart acted as chairman of the congress.

The creation of the Boer state as an "alternative" is seen as significant in HNP circles because it is a well-known fact that both the HNP and the CP have rejected the Boer national state. Thus, the Boer national state is presented not only as an alternative to the policy of the NP, but also as one to the policy of the two rightist parties. When Professor Booysen was questioned about this, he said, "The Boer national state is an alternative to other lines of policy. You must simply decide for yourself whether that line of thinking is being accommodated by the existing political parties."

New Party

To the question of how the people will be able to make a choice between the alternatives, Professor Booysen said that it is not necessary that a political party be founded. At the moment, attempts are being made to influence

existing political parties to take a favorable stand on the idea of a Boer national state. "I hope that this idea will be accommodated by the parties. Even though the HNP has already shot down the plan, I don't think that the CP has rejected it that explicitly."

Professor Booysen says that his position is that it is not necessary to fight with the political parties. Instead, he believes in persuasion with the hope of eventually reaching agreements with the political parties.

The general secretary of the AWB, Mr Jan Groenewald, says that the AWB has undertaken not to form a political party. However, he cannot speak on behalf of other organizations.

According to Mr Groenewald, the AWB is going to bargain with the existing political parties to at least not oppose an opinion poll that is now being planned concerning the Boer national state idea. However, the AWB does not view the formation of a political party as an option, he says.

When he addressed a public meeting at Vryburg last year, the leader of the HNP, Mr Jaap Marais, explicitly spelled out his party's position on a Boer national state. On that occasion, Mr Marais said that the attainment of Republic status had brought about not only a restoration of the former Boer republics, but that this freedom had also been extended to the former British colonies, Cape Province and Natal. Thus, the attainment of Republic status accomplished more than merely the restoration of the freedom of the Boer republics.

Mr Marais said that he does not think it is right to exclude the Afrikaners who live in Natal and Cape Province. "They are, after all, of our blood. It is an injustice to surrender those people and only take care of yourself."

Mr Marais said that the HNP subscribes to the policy of White South Africa. As far as he is concerned, this is a White national state and there is no difference between the two concepts.

12271

CSO: 3401/97

SOUTH AFRICA

ENROLLMENT OF NON-WHITE STUDENTS AT STELLENBOSCH TO RISE

Pretoria DIE AFRIKANER in Afrikaans 12 Feb 86 p 7

[Text] Nearly 400 Non-White students will study this year at the University of Stellenbosch. This is almost double the figure from last year when 225 Non-White students were enrolled at the university.

A spokesman for the university told DIE AFRIKANER that the final number of Non-White students cannot yet be determined in view of the fact that enrollment has not yet been closed and some students may not show up. However, it is estimated that approximately 400 Non-White students will enroll.

The spokesman also announced that this year for the first time, the university will house White and Non-White students in the same building. Single and double rooms in a designated building are being made available to all races. Other boarding houses cannot be opened up because this would be in conflict with the Group Areas Act.

The sharp rise in the number of Non-White students at the University of Stellenbosch makes it the Afrikaans university with the largest number of Non-White students. This is in keeping with the official policy of the university as spelled out last August by the rector, Prof Mike de Vries, in a speech at a student conference. Professor De Vries said then that the university must pursue a "more broadminded" admissions policy and make provisions for the needs of Blacks, Coloreds and Indians in tertiary education. The past must be forgotten and a new beginning must be made, he said.

On the same occasion, Professor De Vries made a plea for a different enforcement of the Group Areas Act on university campuses. Non-Whites should enjoy full student status and they should not be treated differently from White students with respect to housing as well.

In the meantime, the rector of the University of Pretoria, Prof Danie Joubert, said that his university is now considering applications from Non-White students in all courses of study. The university council decided last year that the university should also be opened up to Non-White undergraduate students. Non-Whites were previously accepted only as graduate students.

All White universities in South Africa were completely opened up to all races by the end of last year. A system of permits that was still in effect for certain courses of study, including medicine, dentistry, veterinary medicine and pharmacology, was abolished at that time.

SOUTH AFRICA

HEUNIS DEEMS POLITICAL SYSTEM FOR ALL RACES POSSIBLE

Cape Town DIE BURGER in Afrikaans 26 Feb 86 p 2

[Text] Although many people believe that it is impossible to set up a political system in South Africa in which the rights of everyone are recognized, he is convinced that it is indeed possible, but that then "there must be movement away from the idea of numbers, instead looking at geographic elements," Mr Chris Heunis, minister of constitutional development and planning, said in Welgelegen, in the Durbanville electoral district.

Minister Heunis said at an NP information conference that it is a complicated task in a country with a composition like that of South Africa to bring about a stabile, Christian system in which the rights of everyone can be recognized and preserved. Although many people believe that it is not possible, he believes that it can come about because most of the other groups are striving for peace.

Minister Heunis mentioned three alternatives to the government's policy. Concerning the first one, White domination of urban Blacks, he asked what the price would be of maintaining this sort of domination. "The answer is to be found in history, because in no country in the world has it been possible to safely maintain the domination of one group over another." With respect to the second alternative--the CP option, in which everyone must live in his own country--he said that this would mean "enormous displacement and immense costs."

If it is accepted that the majority in each region governs, and if the provinces are taken as the basis for this, this would mean that Whites in all four provinces would be in the minority. If economic development regions are used as the basis, Whites in the Western Cape region (Cape Town-George to Upington), for example, would be in the minority; and as far as magisterial districts are concerned, there are only seven of them in the entire country in which there is a White majority.

With respect to the third possibility--the unified state, in which groups are not recognized--he wanted to know how many countries with a composition similar to that of South Africa have a democratic system.

Concerning group areas, he said that he believes that this system must be preserved for the sake of order. Whenever societal life is affected, the foundation according to which democratic solutions are sought is destroyed.

The attitude exists that group areas are to the advantage of Whites and to the disadvantage of others. He wants to give the assurance that group areas are not a degrading measure.

12271

CS0: 3401/97

SOUTH AFRICA

ELIMINATION OF APARTHEID WOULD NOT SOLVE COUNTRY'S PROBLEMS

Cape Town DIE BURGER in Afrikaans 26 Feb p 14

[Editorial: "A Simplistic View"]

[Text] One of the most popular "solutions" for South Africa's constitutional and socio-economic problems presented abroad and even domestically to the government is: "Apartheid is the root of all evil; just abolish that and all the country's problems will disappear like mist before the morning sun. This simplistic instant political solution does not jibe at all with reality. The mere removal of apartheid measures from the statute book is no guarantee for the elimination of racial prejudice or a shortcut to a politico-social utopia. That is a truth which Britain and America -- whose governments are exerting pressure on South Africa to abolish the "apartheid system" -- are thoroughly feeling themselves.

An investigation made after the race riots last year in Britain brought to light an interesting fact: Racial discrimination was the main reason that a black neighborhood experienced some of the worst violence in four years and was turned into a battlefield. The discrimination against black students, black workers and what concerns health services of Blacks is so bad that there is even talk of a British "system of apartheid." That in a country which has made laws against racial discrimination!

The anti-discrimination legislation in America does not nearly have the desired effect either. Racial questions remain a big problem in that country which likes to hold itself up as an example to solve others' problems. Last year, for example, the black mayor of Philadelphia had to proclaim a state of emergency in the city because white residents revolted against black newcomers in their neighborhood. The USA's program to lift up Blacks socio-economically, among other things alia by so-called "affirmative action", has not at all succeeded as desired. In spite of such attempts, a third of the black Americans live under the poverty line, nearly half of the children are in homes with only a mother, unemployment is increasing among them and the danger exists that their position may deteriorate even further.

Those who pursue the illusion that South Africa, with its considerably more complicated problems, can easily reach a decision merely by abolishing "apartheid" will have to penetrate much more deeply to the root of the country's problems rather than blaming the "apartheid system" for everything.

SOUTH AFRICA

PUBLIC TOLD NOT TO TAKE LAW INTO OWN HANDS

Cape Town DIE BURGER in Afrikaans 27 Feb 86 p 8

[Article: "Public Must Not Take the Law Into its Own Hands -- SAP"]

[Text] It is not necessary or advisable for people to start taking measures themselves to protect the public; the police are competent and ready to meet any emergency, according to a statement by the police directorate of public relations. This comes in the midst of reports about incidents of people being indiscriminately shot at from cars.

The latest incident was in Grassy Park yesterday afternoon when a 15-year old boy, Royston America, was injured by a group of Coloreds in a car suddenly opening fire indiscriminately on pedestrians on Second Avenue. Royston was hit in the left knee by one of the shots and taken by ambulance to Victoria Hospital. Nobody has yet been arrested in connection with the incident. The motive for the shooting is also still unknown.

The police say in their statement that they want to give assurance to the public that they and the supporting forces are ready and competent to meet any emergency. People who want to protect the public can join the police reserve force. Provisions are being made for patrolling people's own neighborhoods. The police are in principle opposed to the formation of groups such as so-called vigilantes or home guards for the purpose of ostensibly maintaining law and order. Such groups usually make themselves guilty of crimes in their striving to reach their goal. The law places strict limitations on individuals trying to maintain law and order. This of course does not include the rights of anyone to protect life or property within the framework of the law, the statement reads.

- Serious rock-throwing broke out on Modderdamweg yesterday afternoon, but the extent of the damage has not yet been determined. The rock-throwing erupted around one o'clock near Modderdamweg High School. The police ordered the crowd to disperse.

- Two Colored youths threw a gasoline bomb inside one of City Tramway's busses around a quarter to six yesterday afternoon on Blue Gum Road, Bonteheuwel. The fire department was soon at the scene and put out the fire. Damage of about R800 was done to the bus.

- Several incidents of rock-throwing and arson also occurred in other parts of Bonteheuwel and Khayelitsha. A truck full of meat was pelted with rocks and forced to stop on Kiaatweg, Bonteheuwel. A gasoline bomb was thrown into the cab.

SOUTH AFRICA

BLACK URBANIZATION SEEN AS MEANS TO CONTROL POPULATION GROWTH

Cape Town DIE BURGER in Afrikaans 27 Feb 86 p 13

[Article from DIE BURGER office: "Black Urbanization -- Inflexible Policy 'Unrealistic'"]

[Text] Pretoria. - An inflexible policy of influx control is unrealistic because it will lead to population growth being maintained at a very high level. Population growth may lead to poverty and deterioration without large-scale urbanization and the consequent modernization of the black population of South Africa, according to important findings in the HSRC [Human Sciences Research Council] report on "demographic implications of alternative migration scenarios with relation to the South African black population." Four researchers from the HSRC's Institute for Sociological and Demographic Research (ISODEM) took part in that investigation, which was already started in 1984. Sizes of families among Blacks in the "white" area have decreased considerably to an average of four children. Up to 40 percent of the married women practice family planning.

Behavior

The average number of children in the national states is estimated between six and seven, and only about 16 percent of the women there practice family planning. In addition, the number of children in the national states is probably increasing because of the start of modernization and the absence of family planning programs. About 75 percent of the black population in South Africa live in third-world conditions. The majority live in strictly traditional conditions where behavior, even fertility behavior, is governed by centuries-old cultural values and standards. In contrast to married couples in urban surroundings, there is probably little motivation for couples to control birth in the national states.

13084

CSO: 3401/96

SOUTH AFRICA

PROFESSOR SUGGESTS ANC SHOULD BE LEGALIZED IN SOUTH AFRICA

Cape Town DIE BURGER in Afrikaans 28 Feb 86 p 9

[Article: "Represents Many -- Gerwel: Only ANC Can Bring About Order"]

[Text] The ANC looks like the only extraparliamentary organization with the ability to bring about order among the various protest movements, according to Professor Jakes Gerwel, rector designate of the University of the Western Cape. Professor Gerwel said in a speech before the Institute for Citizenship yesterday that the ANC should be permitted internally because the organization represents many South Africans. In a reference to alleged communist influence in the ANC, Professor Gerwel said: "As an academic, I am obliged to say that a South African communist is a South African." He added that his viewpoint may be politically naive and lead to a catastrophe, but that all viewpoints ought to be heard.

In his speech on politics and education, Professor Gerwel said the crisis of 1985 was not a crisis in education, but a political crisis. Youth's protest was tied to a broader political struggle. Educational issues were in the background. Oppression by a minority group became the focus point of the protest. He said that, although the students find affiliation with political organizations for adults such as the UDF, their protest was characterized by their insistence on autonomy. "The protest movements have developed their own momentum which cannot be controlled by adult political organizations", he said. "I cannot solve the problem as an educational administrator. It is a political crisis, and a political solution must be found. I pray for the day when the political situation is such that we can continue our educational task in a fairly orderly atmosphere", he said.

13084
CSO: 3401/94

SOUTH AFRICA

LEFTISTS CANNOT SUCCEED IN TOPPLING GOVERNMENT BY FORCE

Cape Town DIE BURGER in Afrikaans 1 Mar 86 p 8

[Article by Dawie: "Reform Must Never Lose Its Powerful Momentum"]

[Text] Whenever one looks at the handiwork of the perpetrators of violence in South Africa and hears of plans that are still up their sleeves, the warning this week from the SA Police about rumors of large-scale riots being planned takes on distressing significance. Last year, the year in which the ANC and its henchmen set their hopes that the revolution in South Africa would really catch fire, did not go like they expected in all respects. The effective action of the security forces and unwillingness of the masses to be dragged along by the radicals thwarted the plans. For that reason, and because the process of reform could not be wrecked, it goes without saying that the supporters of a revolution will intensify their attempts this year.

Alarmist

This is not meant to sound alarmist. It is unfortunately how the recipe of revolution works: No room must be left for political settlements, for then it is all the more difficult to attain the revolutionary ideal of takeover of power. The tactic is to present constitutional reforms as an attempt to deceive the masses. Every positive measure is passed off as meaningless and a bluff. The formulas for this in a book by a South American revolutionary, as quoted last year by Professor Mike Hough of the Institute for Strategic Studies, are quite illuminating: "The people refuse to cooperate with the authorities, and the general sentiment is that the government is unjust, that it is not capable of solving problems and simply turns to the physical liquidation of its opponents." And further: "The urban terrorist must attack the so-called political solution in earnest, become more aggressive and violent and incessantly engage in sabotage, terrorism, assaults, abductions, executions etc."

Pattern

The pattern is recognizable in South Africa almost to the letter. The ANC has already announced that it is going to intensify its campaign of terror. It has declared 1986 the year of Umkonto we Sizwe (the military arm of the ANC). And there was a recent threat that if the government does not "sensibly

handle" the demands of the Soweto Parents' Crisis Committee, there will be no black student in school by April or June, and that the Congress of South African Trade Unions may organize a strike "one fine day." The obvious intent is to make the radicalization increase toward the left, knowing well that the government will take action. It looks as if we must prepare ourselves for more reform leading to more violence and this in turn to more "oppression." Moreover, leftist violence easily breeds rightist violence, and there were strong indications in recent weeks that this is happening too, particularly in certain areas of the Transvaal.

Polarization

This is precisely what the apostles of a revolution want, for the greater the polarization is between White and Black, the less the chances become for peaceful solutions. Does everyone understand equally well what is going on? It is reassuring that the security forces are equipped to limit revolutionary violence to the minimum. As a matter of fact, everyone knows the state has not at all yet used all the might at its disposal. If stronger action should be needed, the government will not shy away from it. But that cannot be a permanent answer. That still lies in the political area. In order to succeed, it is necessary that the reform process does not lose its momentum and that the government keeps the initiative in its hands.

Momentum

In his speech opening parliament, President P.W. Botha demonstrated that the government wants to move more quickly. In particular, the announcement of a statutory council in which Blacks can serve aroused great interest inside and outside South Africa. This may be the starting point for real and visible movement toward a new order which can accommodate Blacks. By quickly giving form to this, a lot of wind will be taken out of the sails of those who want to have the country go up in flames.

13084

CSO: 3401/95

SOUTH AFRICA

PFP ADVERTISEMENT EXTOLS NEW PARTY LEADERSHIP

Cape Town DIE BURGER in Afrikaans 3 Mar 86 p 5

[Article by Political Editorial Staff: "Extolling New Leadership -- PFP Turns to Advertisement"]

[Text] In an attempt to overcome the setback of Dr Van Zyl Slabbert's resignation as Progressive leader, the PFP placed a full-page advertisement yesterday in the SUNDAY TIMES, extolling, among other things, the good qualities of the new Progressive leadership. There is also a response, under the headline "here is true reality", to the newspaper advertisement which appeared the week after President P.W. Botha's opening speech in parliament. Yesterday's advertisement states that apartheid is still a reality because the independent black states and the three-chamber parliament are going to stay, the law on population registration and the group area act are not going to be abolished, and because government policy is still based on separate racial institutions with compulsory membership.

"Reality"

President Botha is accused in the advertisement of having spelled out the "reality" in his advertisement, but later in parliament giving another version of it when he "supported the verkrampste interpretations which F.W. De Klerk gave to policy and publically repudiated Pik Botha." But more than half of the advertisement is devoted to the "reality of the new PFP team." The advertisement says that, as far as the PFP is concerned, Dr Slabbert's resignation "is now something of the past." However, it did not inculcate the government with the seriousness of the situation in South Africa, and that's the reason why the PFP is remaining in parliament.

Introduced

"But we are also committed to building new bridges outside of parliament; to working out a package of rights which is acceptable to all South Africans, and to championing the cause of negotiations -- even with leaders whom the government does not want to meet." The new Progressive leader, Mr Colin Eglin, and his team of "young and aggressive leaders" are then introduced in the advertisement. They talk of Mr Peter Gastrow, the national chairman, who "was a leader in the campaign to disclose the truth to the Kannemeyer

Commission at Uitenhage." Mr Ken Andrew, the chairman of the PFP's Federal Council, is referred to as the only MP who could beat a cabinet member in an election since 1948.

On the Pillory

"We have experience too. Helen Suzman has been a leader in the fight for equal rights for more than 30 years. And Harry Schwarz has for more than 10 years been leading the campaign to put the government's economic bungling on the pillory."

The advertisement was not drafted by Mr Jan Van Eck, the PFP's regular propagandist, but by Mr Robin Carlisle, Progressive member of the President's Council and chief secretary of the party.

13084

CSO: 3401/94

SOUTH AFRICA

SUZMAN'S OPPOSITION TO SANCTIONS DISCUSSED

Cape Town DIE BURGER in Afrikaans 3 Mar 86 p 8

[Editorial: "Eyes Are Opening"]

[Text] Those abroad, and also some people in South Africa, who believe that the South African government can be compelled to surrender power through sanctions and force should thoroughly take note of the sharp warnings that Mrs Helen Suzman has given about this over the weekend. Coming from someone like Mrs Suzman, internationally known and revered as a merciless fighter against apartheid, it is saying a whole mouthful that she is expressing herself so strongly about the disastrous consequences of the sanction campaign. Because of this, she said in Britain, a false impression has gained ground among Blacks that a power takeover is imminent, while it is not even being considered by the government. At the same time she warns that sanctions are a plan of desperation which can ruin the economy to the detriment of Blacks too.

This is the same argument which has already been put forward by the government and acknowledged black leaders in South Africa, but which so far been wholly drowned out, especially in America, by the prominence given to the drastic statements by Bishop Desmond Tutu, among others. When Mrs Suzman condemns sanctions, it is because she realizes what the implications of that and of more violence are much better than the critics of South Africa do. Some of these people, quite ignorant of the resoluteness of white South Africans not to abdicate to the forces of chaos, evidently think that the government can be toppled by sanctions and that it will be the end of the "oppressive" system in South Africa. It is precisely about this that Mrs Suzman has very strong misgivings, for apartheid will not be replaced by a "non-racial democracy." As a matter of fact, she says no one should let himself be deceived into believing that the ANC, which in her own words is now insisting on nothing less than a total transfer of power, is striving for a democratic order.

The pity is that Mrs Suzman's eyes have begun to open so late. If she and other members of her party had earlier romanticized the forces of destruction against South Africa less and pictured the government less contemptuously, the country could perhaps have been spared quite a lot of misery. Will her candid remarks perhaps not lead to reflection by some of her party colleagues and the leftist press organ, especially those who further extraparliamentary conduct and blindly propagate cajoling with the ANC?

SOUTH AFRICA

LOWER FUEL PRICES EXPECTED TO HELP AGAINST INFLATION

Cape Town DIE BURGER in Afrikaans 27 Feb 86 p 12

[Editorial: "A Blow Against Inflation"]

[Text] Hope for greater success in the tough struggle against inflation is strengthened by the considerable decrease in the price of fuel announced yesterday and a prospect for a further decline in the price by June of this year. The decrease may be a strong contributing factor in holding the spiral of inflation in check at this sensitive point of time in the economic recovery process. A change in the price of fuel sets a chain reaction going through the whole economy as a result of the influence on prices and the inflation rate. The inflationist pressure which caused the recent increase in transportation rates should thus be neutralized at least to a certain extent by the latest measure.

Consumers will especially hope that the lower price of gasoline will also lead to declines in prices of other consumer goods. The business world should really heed the appeal that Minister [of Mineral and Energy Affairs] Danie Steyn made about this. The inflation rate of more than 21 percent last month, based on the consumer price index, is in particular due to the rise in cost prices. The consumer hopes that the costs of his grocery basket will now go down just as briskly as it rose when the price of fuel was increased. There are economists and others who before the decrease said that fuel could become as much as 30 cents cheaper per liter on account of the stronger rand and the low price of oil on world markets.

What has to be kept in mind is that the government is obviously pursuing a conservative price policy for fuel, and rightly so. It is not a foregone conclusion that the rand will be able to maintain its current levels in the long or even medium term. Besides that, the purchase of oil on the international markets remains an uncertain undertaking for South Africa because of, among other things, political pressure which is being exerted on the Republic. The government should strengthen its oil reserve funds as a precautionary measure, for the situation may change quickly. The government

also obviously realizes what economically detrimental influence it would be if the price should have to be moved again in the short term. The reserve funds should be strong enough to be able to absorb smaller fluctuations so that the economy is not exposed to unnecessary shocks because of an unstable fuel price.

13084

CSO: 3401/96

SOUTH AFRICA

INFLATION HURTING FARMERS, DECISIVE MEASURES REQUIRED

Cape Town DIE BURGER in Afrikaans 28 Feb 86 p 3

[Article from DIE BURGER correspondent: "Inflation Rate Requires Drastic Measures"]

[Text] Bloemfontein. - Prices in South Africa should be brought "into balance" and frozen, and then the mistakes that led to the high rate of inflation should be corrected. That is the South African Agricultural Union's (SAAU) request to the government, Mr Kobus Jooste, honorary chairman of the union, said at an Afrikander cattle day at the University of the Free State. "We have gone along with inflation for too long. For too long we were afraid of the disadvantages of drastic drastic. Only drastic measures can prevent a disaster in South Africa," Mr Jooste said. The plans of the economy have failed in recent years. Inflation is only rising, causing the farm debt to continually rise and net profit to decline. Mr Jooste said subsidies for drought aid and other subsidies kept many farmers on their farms the past few years.

Workers

However, people have already "gotten used to" disasters and regard them as "normal." That is disconcerting. Many farmers have the unconscious feeling that the disaster aid subsidies are a part of their ordinary farm income. That is disconcerting and should be combatted. Farmers in the interior are accused more and more of not doing enough for their workers. Agriculture is exempt from important labor laws, and attention will have to be given to this.

Surveys by SAAU show that the disproportionate income distribution among farmers is getting worse. About 70 percent of the 60,000 farm units contribute just 25 percent of the gross income. About 50 percent of the units contribute just 10 percent, while 30 percent of the units contribute only 3.5 percent. A large part of the farmers thus can no longer maintain an acceptable standard of living.

Political events and influences within and outside South Africa entail additional expenses for the farmer -- such as border security. SAAU's inexorable position on this is that the one who is benefitted must pay. Border security is in South Africa's interest, and therefore he must pay his fair share.

SOUTH AFRICA

BRIEFS

AFRIKAANS AS ONLY LANGUAGE -- Bloemfontein. - It is still the HNP's dream that Afrikaans become the only official national language in South Africa, Mr Louis Stofberg, HNP MP for Sasolburg, said at a study gathering at the campus of the University of the [Orange] Free State. He said South Africa is on the threshold of a great breakaway to the right in reaction to the strong movement to the left in the National Party. Judging from current figures, a rightist alliance could already get between 50 and 60 percent of the votes of South African voters, he said. Mr Stofberg said Afrikaans -- the "only white man's language that originated outside Europe" - would not be forced on English fellow countrymen. [Text] [Cape Town DIE BURGER in Afrikaans 28 Feb 86 p 3] 13084

NEW HNP BRANCH IN ALGOA--A new branch of the HNP was recently established in the Algoa electoral district. The complete steering committee of the Westering branch is as follows: Mr Neels Marnewick (chairman), Mr H. J. van der Walt-Deysel (vice chairman), Mrs E. Marnewick (secretary), Mr O. O. Strydom, Mr H. de Klerk, Mrs M. Jooste and Mrs M. Engelbrecht (additional members). [Text] [Pretoria DIE AFRIKANER in Afrikaans 29 Jan 86 p 5] 12271

CSO: 3401/101

SOUTH AFRICA

GOVERNMENT URGED TO END OBSTACLES TO BLACK ENTREPRENEURSHIP

Johannesburg THE STAR in English 12 Mar 86 p 16

[Article by Michael Chester]

[Text]

Thousands of unemployed black workers anxious to launch their own small business ventures were blocked by a tangle of no fewer than 2 000 controls that needed to be bulldozed out of the way, a business conference heard yesterday.

Urgent pleas to the Government for faster action in removing obstacles still faced by the informal sector were made by Mr Sy Kutumela, chairman of the education and training committee of the National African Federated Chamber of Commerce.

He was addressing a national management convention held in Sandton by P-E Consulting Services to devise radical strategies to improve the current political and economic climate and set the manufacturing sector on a new course.

Mr Kutumela said while the informal sector had the potential to act as a powerful generator of new jobs to curb the unemployment crisis, most operations were harassed by regulations and statutes that officially branded them as illegal.

Victims ranged from pirate taxi and shebeen operators to street hawkers and backyard mechanics.

Though a growing list of overseas economies now recognised the crucial importance of small business initiatives in the informal sector, it was hard to imagine a more hostile environment than the South African discouragement of independent entrepreneurship.

DICTATED

Even if "by a miracle, young blacks retained a spark of entrepreneurial flair", they confronted hundreds of statutes blocking their path in business.

- Applications for business licences often took up to three years.
- Controls dictated what they sold, prices charged, premises to be used, interest levels on loans, whom they employed, what hours they worked, where profits went, how much they must pay the state.

● Whole areas of business activity were blocked to them completely

● Competition was not allowed against numerous private and public sector monopolies and cartels.

"Even if, in theory, it is a business sector in which they are permitted to compete, the rules and regulations have often so enormously increased all costs of entry that the opportunity is effectively barred to them anyway," said Mr Kutumela.

Taiwan and Hong Kong were among a long list of countries that had proved big business alone was unable to create all the extra jobs needed in their economies

South Africa had yet to learn it was the creation of more small businesses and the encouragement of the informal sector that held the ultimate solutions to unemployment, he said

/12851

CSO: 3400/1300

SOUTH AFRICA

BLACK TEACHERS WITHDRAW FROM DET

Johannesburg THE STAR In English 13 Mar 86 p 17

[Article by Haud Motanyane]

[Text] The withdrawal of the African Teachers' Association (Atasa) from direct involvement in all committees of the Department of Education and Training (DET) is likely to compound the credibility crisis already faced by the Department.

The move is the most radical step to be taken by the body in its 65 years of existence and comes at a time when thousands of children are totally rejecting the black education system.

Before the conditional return to school earlier this year, black schools had been in turmoil for months. Among the children's demands was the formation of students' representative councils to replace the prefect system.

Announcing its decision this week, the 54 000-strong Atasa said it was cutting ties with all committees of the DET until there was "genuine power-sharing in this country". Its role in the DET was "token", it said.

Atasa president Mr Randall Peteni said the organisation would now work alongside other community organisations fighting for a "people's education".

LEAVE A VACUUM

Until recently, the black community viewed Atasa as a timid body that only endorsed Government decisions on education. But towards the end of 1985, the association took a bold stand and joined other organisations in demanding new education system.

In December last year, it played a prominent role in setting up the Wits Consultative Conference on education which, among other things, gave the authorities a three-month ultimatum to put education's house in order.

Among the decisions taken by the 160 organisations which attended the conference were that:

- They work closely with parents and students to resolve the education crisis.
- They work actively with students towards the formation of democratically elected student representative councils.

Atasa, which has affiliates in the Cape Province, Free State, Natal, Transvaal and Ciskei, is probably the only teacher body with direct contact with the DET. Its withdrawal will almost certainly leave a vacuum and deprive the DET of a forum where it can involve black teachers.

NO INFLUENCE

Its move could put a spanner in the works of Dr Viljoen's programme to involve blacks in higher positions of the department.

Last month, the Minister announced the establishment of the Committee for Education Policy (CEP). Atasa would have been invited to appoint experts to the CEP, which would advise on the qualification and training of teachers, and the provision of education services.

Although it would have been represented, the organisation would have no influence, Mr Peteni said. Other committees which Atasa rejects are:

- The subject committees, dealing with the setting of syllabi for teacher training and selection of textbooks.
- The recess committee dealing with salaries.
- The committee for the selection of staff.
- The bursary committee and the certification board.

SOUTH AFRICA

CAREER DEVELOPMENT PROJECT READY TO EXPAND

Johannesburg THE STAR in English 11 Mar 86 p 18

[Article by Frank Jeans]

[Text] Protec, the multiracial programme aimed at career development launched in Soweto four years ago, is poised for expansion with seven more branches planned throughout the country by the end of the year.

And Protec's organisers are confident that business will support the national drive to the tune of R25 million and help to provide an opportunity for 2 000 students during 1986.

The Soweto model has worked well, says Protec national director Lente Louw-Louw. Our approach has led to an increasing demand for a wider application of Protec.

I am confident the private sector, which has invested in this unique approach to the progress of promising students, will support our initiative and

further.

It is logical to reproduce the successful Soweto model in other regions. The Protec effort addresses the non-formal educational field where selected students participate in activities focusing on communication and study skills, career guidance and leadership development.

Protec also prepares its matriculants for entrance to universities, technikons and colleges. Protec chairman, Mr Cliff McMillan, says: "We now have the management structure and national office experience to reproduce our proven techniques on a wide scale."

At a modest cost per student we are achieving major successes.

Last year about 450 students benefited from the Protec scheme.

/17/861

CSO: 1600/1-800

SOUTH AFRICA

BRIEFS

LOAN PROGRAM FOR SOWETO BUILDERS--Soweto builders were last night given a R300,000 financial injection with the launching of the Small Home Building Loan Fund. The money was given to the African Bank by a computer firm and will be available to members of the 54-member Soweto Building Contractors' Association in the form of loans over a three-month period at a one percent interest rate. Only builders working on units worth less than R35,000 will be eligible. Builders should earn enough to repay their loans after three months, thereby allowing the loan money to be "recycled" for use by another builder. The director of management services for IBM, Mr Peter Riches, told a gathering the fund would create job opportunities, stimulate entrepreneurship and provide housing. Managing director of the African Bank Mr Moses Maubane said all the money was expected to be allocated by the end of the month and repayment in full was expected early in April. He said professionalism was needed in small builder circles. "Continuous employment is also needed. 'Stop-go' jobs are destructive to the creation of a committed business person," he said. [By Duncan Guy] [Text] [Johannesburg THE STAR in English 13 Mar 86 p 5] /12851

CSO: 3400/1300

SOUTH AFRICA

NEW VEHICLES SALES SLUMP REPORTED

Johannesburg SUNDAY TIMES (Business Supplement) in English 2 Mar 86 p 3

[Article by David Carte]

[Text]

BMW, VOLKSWAGEN and General Motors fared best and Nissan, Samcor, Leyland and Alfa Romeo worst in the great motor sales bloodbath of 1985.

According to rand sales estimates compiled by *Business Times*, total new-vehicle sales last year fell by R509-million, or 9.9%, to R5.2-billion (1984: R5.7-billion).

Allowing for inflation, that was a real decline of about 30%. Unit sales fell by 25% to 305 029 (405 809).

Car sales fell 10.1%, light commercials, sustained by mini-buses buying by taxi operators, by 5.1% and heavy commercials by 8.8%.

Method

We calculated our figures by multiplying each model's sales for the year by its average official retail price in 1985. Our calculations do not allow for widespread discounting, which did occur.

So the real decline in motors was even worse than the figures indicate. They focus only on revenue, not on costs, so in no way reflect profitability. Not one motor manufacturer is making a profit and even market leader Toyota lost R53.6-million in the year to December.

Only five of 19 car, bus and truck makers increased sales in rands last year — General Motors, Volkswagen, BMW, M.A.N., Vetsak and Foden.

Ford sales slumped 35%, and Mazda Motor Industries, its ally in Samcor, suffered a drop of 18%. Nissan's total sales also fell by 18%. Sales of Alfa Romeo plummeted by 27%.

No 2 slot

Ford and Nissan's total sales in 1985 were down by more than R100-million each on 1983.

Toyota's car sales fell by R19-million and its trucks by R82-million. Buoyant mini-bus sales helped light commercials to rise by R48-million.

so in all, Toyota fell by only 4%, or R52-million.

Mercedes' car sales took a R56.7-million fall, but truck and bus business soared by R50-million, permitting it to virtually level peg in the No 2 slot with an increased market share.

Bath for Nissan

Thanks to its hot-selling T-car, General Motors' sales rose by R10-million. Commercials and trucks held steady, permitting GM to increase its rand market share to 10% (8.8%).

VW's new-shape Golf and Jetta helped to push car sales up by nearly R65-million, but possibly because its combi

lost out to the Toyota HiAce and Mitsubishi Star Wagon, light commercials plummeted by R58-million. So VW also level pegged in rand sales, but increased market share.

Nissan took a bath in cars, light commercials and trucks, for sales to slip by R112-million and market share to decline to 9.6% (10.7%).

Samcor had an unhappy first year, MMI's sales being

down by R95-million and those of Ford falling by R221-million. MMI's market share fell to 8.3% (9.2%) and Ford's to 8% (11.1%).

Thanks to its 3-Series, BMW increased car sales by R18-million (6%) to R326.4-million. Unit sales, however, fell by 3 000 to 12 920 — not healthy for a company with

the means to make 50 000 cars a year.

M.A.N.'s performance with truck sales up by R16 million (32%) to R68.5-million is perhaps the best in rand terms. Its unit sales declined.

Vetsak, helped by an aggressive destocking campaign which included dis-

counts, lifted total sales by 74% to R17.4-million.

Leyland's car, light commercial and heavy vehicle sales slumped again. Its total declined by R24-million to R57.6-million. In 1983, Leyland achieved total sales of R117-million. Now it has slightly more than 1% of the market.

/12828

CSO: 3400/1266

EDITOR DESCRIBES PRODUCTION AT PALABORA MINE

Johannesburg THE SUNDAY STAR (Finance) Supplement in English 2 Mar 86 p 4

[Article by John Orpen]

[Text]

PALABORA copper mine in the steamy Eastern Transvaal bushveld is one of those mining phenomena to which practically every superlative in the book applies.

For a start, it is the second-largest opencast mining operation in the world and the largest in Africa.

To this can be added the fact that, while it is the lowest grade copper producer in the world at 0.5 percent Cu/t, it is one of the world's most prolific, thanks to the enormous tonnage of ore that is trucked to the crushers every day.

World record

On an average day Palabora mines 326 000 tons of ore — more than a large gold mine like Western Deep Levels hauls in a month. In August 1980 Palabora set what was at the time a world record for material loaded and hauled in a single 24-hour period: 521 000 tons.

Palabora is controlled by the British-based mining company Rio Tinto Zinc, though the American mining company Newmont also has a big stake in the mine. In addition, because it is listed on the Johannesburg Stock Exchange, the public has some participation in the company.

Last year, thanks to a combination of good management and the low value of the rand, PMC pushed pre-tax profits to R189.4 million compared to R112.4 million the previous year.

Interestingly, roughly R30 million came from metals and minerals other than copper. Managing director Al Leroy told **FINANCE** that, in value terms, it was silver, gold and platinum group metals in that order that were the biggest contributors.

Zirconia products contribute around R25 million a year and Palabora also runs an opencast vermiculite operation in a pit adjacent to that where copper and the other minerals are mined.

Phosphate mine

The principal pit is 1.9 km long and 1.6 km wide at the surface, and it has now been carried to a depth of close on 400 m. By the end of the century the pit will have been developed to a depth of 805 m below surface and will have a finished wall slope that varies between 45 and 53 degrees.

All the indications are that the orebody continues down into the ground to still greater depths, so there is every possibility that one day Palabora will become an underground mine.

The pit today has taken the place of what was once known as Loolekop, a volcanic outcrop discovered by one of South Africa's most famous geologists, the late Hans Merensky, in 1912. The complex was dubbed the Palabora Igneous Complex.

What Dr Merensky had discovered lay fallow until the 1930s, when he started a phosphate mine in the area. In 1946 he started mining vermiculite.

The semi-state Foskor is also situated at Phalaborwa — the name of the town has a different spelling.

But the copper story at Phalaborwa began in the 1950s when detailed prospecting proved the presence of large quantities of low-grade copper-bearing ore.

At the time sceptics said the grade of the ore was too low to be worked viably. In 1956, however, the Rio Tinto Company of London (now RTZ) and Newmont Mining of New York formed a company to explore the orebody and called it Palabora Mining Company.

The first mining cuts were made in 1964 and the mine came into full production in 1966. In May 1982 the 1 000-millionth ton of material was loaded and hauled from the open pit. This figure will be more than doubled by 1997.

Surplus for export

Today the mine produces roughly 120 000 tons of anode copper a year. This is more than enough to meet all of South Africa's own requirements, with a surplus left over for export.

The Palabora ore is trucked from the pit by huge 150-ton off-road haulers. The mine has pioneered a method of running these vehicles off overhead electricity which has cut haulage costs from R14 km to R3 km in terms of diesel fuel saved.

In addition, according to Mr Leroy, engine life has been doubled while the speed of the trucks has been vastly increased. Haulage is, in fact, the biggest single cost at Palabora.

Altogether the company has built some 860 houses, 230 flats and 69 single-quarter units at Phalaborwa as well as some 770 houses in Namakgale and a single-quarter complex that can accommodate 384 employees.

This week Palabora shares were trading at R21.75, so they are hardly a snip. But, given the very high level of management at the mine, plus an outstanding record over the years, Palamin is an excellent long-term investment.

SOUTH AFRICA

OUTLOOK BLEAK AS DROUGHT DEVASTATES MAIZE

Johannesburg THE STAR in English 8 Mar 86 p 13

[Article by Kym Hamilton]

[Text] Farmers' high hopes for a bumper 1986 maize crop have been dashed by poor February rains and an estimated R600 million in possible export revenue has already been lost.

The outlook has been described as "bleak".

The administrative manager of the National Maize Producers' Organisation (Nampo), Mr Giel van Zyl, said the intense heat of the past two weeks had turned the green mealie plantations of the Western Transvaal, southern Free State and north-western Free State into burnt fields of devastation.

On February 19 a Nampo survey put crop expectations at 9.5 million tons.

To date, the fierce heat had reduced the bumper crop projections to 8 million tons and unless substantial rain fell within the next few days, the crop could be as low as 7 million tons, said Mr van Zyl.

Some farmers were ready to turn in the keys to their farms to banks and co-ops, and there was talk of some 25 farmers who had given up. However, Mr van Zyl said he was not sure of this figure as no full assessment had yet been made.

SUBSIDIES

For the past five years the country's more than 6 000 farmers had been resilient in their battle against the drought, but it was unlikely they would be able to continue to sustain losses. Even with the extensive help and Government subsidies they had received during the drought, many farmers would not be able to pay back their debts, said Mr van Zyl.

This year, initial hopes had been high. There had been a buoyancy among farmers, "everyone was expecting something". But now the dramatic crop failure had dashed hopes and many farmers were on the brink of ruin.

A spokesman for the Pretoria Weather Bureau said the February rainfall in most parts of the country was well below quota, while areas recorded as little as 30 percent of their normal February rains.

Figures show that many vital dams are also well below average capacity compared with this time last year.

On Wednesday, one Western Transvaal farmer described his 7 000 hectares of crops as

burned out. Another in the Lichtenburg district said he was cutting his crops for silage.

With the belated summer rains, many farmers planted their crops late. Although the maize plant is very resilient, it is now at a critical stage.

There is no subterranean moisture and the sustained heat can kill a plant in four days.

/12828

CSO: 3400/1266

7 April 1986

SOUTH AFRICA

COAL SHIPMENT BOOST FOR DEPRESSED TABLE BAY HARBOR

Cape Town FREIGHT WORLD in English 15 Jan 86 pp 1, 2

[Text]

Severely depressed Table Bay Harbour, which in general is 60% under-utilised, has received a temporary boost from the shipment of 43 000 tons of coal from the Eastern Transvaal in an initiative to get the port back on its feet.

If the trial shipment is successful, this will result in the port handling up to 120 000 tons a month for the next 18 months. Existing facilities can accommodate up to three shipments of about 40 000 tons a month and up to three coal ships can be worked at one time in Duncan Dock.

Windfall

Although the port management sees the coal shipments and any other general cargo it can attract from the Reef as a valuable but temporary windfall, the solution to the harbour's problems will have to come from other quarters.

Port manager Mr Kallie Haupt believes that the onus lies with Cape Town businessmen to create opportunities and business avenues. "Cape Town is stagnating," says he.

Depression

The port's general cargo activities have been badly hit by the higher cargo handling rate achieved with containerisation. The economic depression has also given harbour activities a body blow.

Many companies which traditionally provided a pool of general cargo have either folded or relocated to the Reef.

In addition to the coal-loading operation, harbour authorities are pinning their hopes that the Mossel Bay gas-field development will have a considerable spin-off for local heavy industry and hence the port. "Considering the type of heavy machinery that will have to be moved, we are quite confident that Cape Town will attract some business," Mr Haupt said at a recent press conference.

The coal contract, which still has to be finalised pending the outcome of the current shipment, was made possible by the fact that many smaller mining

companies are encountering difficulties channelling exports through Richards Bay and Durban. Allocations for exports through the privately run Richards Bay Coal Terminal have all been taken up and Durban is operating to capacity.

Because of the 2 000km rail journey from the remote Eastern Transvaal coalfields, Sats is offering "attractive" rates to make it a working proposition for all parties. However, the feeling is that the operation will only be viable so long as the rand stays at its current low levels, which is enabling producers to score on their dollar earnings.

'Marginally profitable'

Even with the rand hovering below 40US cents, the operation is only marginally profitable, says Mr

Barry Love, technical director of Dunker Exploration Ltd, the owners of the first shipment being loaded on board the British bulk carrier, *Stonepool*. Although Table Bay Harbour has previously handled very small coal shipments of between 2 000 and 3 000 tons in the past, this is the first significant shipment.

The railage operation, which entails "block" trains hauling 39 wagons, is also helping to soak up excess rolling stock in Sats's underworked western system.

Coal is being loaded at the rate of 5 000 tons a day with eight cranes in attendance working day and night. Agents African Coal Import & Exporting expect the operation to be completed in 10 days and the ship was expected to sail on January 14.

/9317

CSO: 3400/1279

7 April 1986

SOUTH AFRICA

UPGRADING OF 780 KM OF COAL LINE DESCRIBED

Johannesburg SUNDAY TIMES (Business) in English 9 Feb 86 p 30

[Article by Don Robertson]

[Text]

AT a cost of R1,5-million a kilometre, South African Transport Services is nearing the final stage of doubling and upgrading 780km of the line between the Witbank coal fields and the export terminal at Richards Bay.

The project is the biggest yet handled by Sats and involves all the top names in construction and engineering.

When the project was presented to Parliament in 1980, the estimated cost was about a fifth of the current figure. However, since it was proposed, the line's planned carrying capacity has increased to 64-million tons a year. To carry the heavy traffic, the line has had to be upgraded, strengthened and deviated to reduce the gradient. Inflation has accounted for the rest of the bill.

Delayed

Work started in 1983. When completed by June 1987, the project will have cost R1,25-billion, including R162-million on signalling and telecommunications and R88-million on electrification.

Completion of the line has been delayed by about six months because of difficult geological conditions encountered in the Zungwini tunnel between Paulpietersburg and Vryheid. But most of the work will be finished by the end of 1986.

The line's capacity is being increased at a time when prospects for growth in steam-coal exports are bleak. It is estimated that sales this year will be about the same as the 40-million tons last year, worth about R3 000-billion.

The decline in the oil price to almost \$15 a barrel has soured the coal market. In addition, there is a rapidly expanding supply of coal worldwide and Colombia in South America is due to enter the market.

These factors have forced prices down, which are expected to decline by between 7% and 10% this year from a current \$30 to \$32 a ton.

Third line

But the railway project continues and coal exporters and Sats will renegotiate tonnage guarantees this year. The initial 11-year contract expires in April next year.

It is estimated that Sats will earn R250 000 for each 200-truck trainload delivered to the terminal.

Work on the line has been done in four sections. The first involves the construction of a 65km dedicated third line between Blackhill and Broodsniersplaas in the Eastern Transvaal at a cost of R71-million.

The third line is necessary because of the build-up of traffic on the double line which transports export coal and supplies for the internal market, mainly the Reef.

There are 19 bridges on the line, those over Steenkoolspruit and the Olifants River being major structures. Total earthworks amount to 4,75-million m³.

Long tunnels

Trains of 100 trucks at this stage will travel at speeds of up to 60km/h fully loaded and 75km/h empty.

The line has four strategic connections to the existing line in the event of track disruption.

A second phase of the operation involves doubling of 230km of single track between Broodsniersplaas and Richards Bay and will include eight tunnels with a total length of 8 918m as well as 35 bridges with a total length of 5 600m.

Perhaps the most significant aspect of the project is the construction of 13 deviations with a length of 133km. They will reduce the gradient to one in 160 compared with the existing one in 66. The reduced grade are necessary for the 200-truck trains.

The deviations demanded construction of six tunnels with a total length of 11 800m. The longest tunnel pushes 2 880m through a mountain. In addition, nine viaducts and 292 minor bridges and culverts will be constructed.

Heavier rails

Another aspect of the project is the relaying and strengthening of certain parts of the line and, where necessary, the replacement of line with heavier tracks.

A chrome manganese rail has been developed to carry the 26-ton axle loads and a new concrete sleeper has been designed. The relaying work is being carried out on two fronts using a R2-million mechanised machine and a gantry-type operation. The 714km of relaying requires 85 680 tons of rails, more than a million sleepers and 780 000m³ of ballast.

Sophisticated signalling, telecommunication and fault detection systems have been installed to keep train drivers in constant touch with traffic control centres at Ermelo, Vryheid and Richards Bay. Problems picked up by the fault detectors will be relayed to drivers who will be able to take immediate action and avoid derailments and track damage.

Locomotives

Electrification of the doubling and the deviations will cost R88-million. The track between Blackhill and Ermelo will be electrified with 3 000 volts of direct current to handle trains of up to 100 trucks. Thereafter the electrification will be boosted to

25 000 volts of alternating current to handle the 200-truck trains which will be made up at Ermelo and Vryheid from shorter trains.

Sats will spend an additional R221-million on 4 070 special wagons and another R66-million for 30 locomotives. Because of the enormous weight, each 200-truck train will be drawn by five locomotives -- two in front and three in the middle.

The R800-million Richards Bay coal terminal has had to grow apace with the increase in exports and the port is now able to load 170 000 ton ships. With little additional expenditure, the berths could be deepened to accept 200 000-ton vessels. Three additional quays are under construction.

The coal terminal can handle exports of 44 million tons a year and it is planned to boost the figure to 64-million tons.

Caption: To reduce the gradient of the line to handle trains with 200 trucks, it has been necessary to construct a number of deviations along the way. This 620m Mhlalane viaduct forms part of the Ekwasha/Uloliwe deviation south of Ulundi in Natal and will consist of 18 spans of 35m each. To accommodate the larger trains, the gradient has had to be flattened to one in 160 compared with the gradient on the old line of one in 66.

/9317

CSO: 3400/1279

SOUTH AFRICA

FRG'S WIKA INSTRUMENTS EXPANDS MANUFACTURING CAPABILITIES

Pretoria MINING WORLD in English Jan 86 p 13

[Text]

Contrary to the attitude of a number of other European countries, West Germany is not joining the current disinvestment lobby and is maintaining a good relationship with South Africa as a major trading partner.

An endorsement of this general policy is reflected in the current expansion of WIKA Instruments (Pty) Ltd of Benrose, Johannesburg, which is a wholly owned subsidiary of Alexander Wiegand GmbH & Co, one of the world's leading manufacturers of instruments for pressure measurement and control.

The WIKA Benrose facility has trebled its manufacturing capability over the past three months and additionally invested in a R150 000 computer installation to meet the increasing demand for its products.

Commenting on this expansion, Dieter Hesse, managing director of WIKA says, "The formation of WIKA Instruments in South Africa in 1979 was no short term decision. We are here to stay and have the utmost faith in the future potential of the South African market. Although many overseas concerns are using disinvestment as a good excuse for poor performance, WIKA

feels it is essential to invest now to ensure that quality goods are manufactured locally where possible to meet the demands of the local market and provide more job opportunities."

This latter comment is the keystone of WIKA's involvement in South Africa, because the management is convinced that the advocates of disinvestment are politically motivated, and the subsequent reduction in job opportunities and the decline in the economic growth which disinvestment would bring is not the answer. "South Africa needs companies like WIKA," says Hesse, "to provide jobs, to improve the working relationships, to ensure better wages and living standards, and to lay down a solid base for future growth and prosperity."

Since it is impossible for WIKA to manufacture the entire Wiegand range locally, it maintains a strong technical link with the parent company and has access to the latest technology in metal-bore, manufacturing and testing techniques, and quality control. All products manufactured in South Africa will be produced to the exacting Wiegand and DIN Standards.

/9317

CSO: 3400/1278

7 April 1986

SOUTH AFRICA

500 HOTELS FOR SALE AS CRISIS DEEPENS

Johannesburg SUNDAY TIMES in English 9 Feb 86 p 3

[Article by Kerry Clarke]

[Text] About 500 hotels are looking for buyers.

Occupancy rates have been sliding since the end of 1981, but reached their lowest point in 10 years in 1985, says the University of Pretoria's Bureau for Financial Analysis.

Empty Beds

BFA researcher Sch. lk Schoombie says the occupancy figure of 53 percent for the year to November 1985 was the lowest in the last 10 years. Occupancies fell throughout 1985.

Mr Schoombie says the highest occupancy in the past 10 years was 69 percent. South Africa has 32-million bed nights available every year, and a 1 percent drop in occupancy means a large number of empty beds.

The BFA survey probably paints a better picture of the industry than is the case.

"Ours is a voluntary survey and the hotels that are struggling probably do not bother to return our questionnaire. We are not seeing the worst of it," says Mr Schoombie.

This is confirmed by figures from Central Statistical Services showing occupancies of 39 percent to 42 percent for 1985.

Rejects

Small hotels are scrambling to team up with big brothers. Protea Hotels and Inns managing director Otto Stehlik says his group has turned down about 400 offers in the past 18 months.

Since it announced it was extending its group and offering franchise agreements and management contracts, Protea's stable has grown twelvefold.

The original Protea hotels--the Heerengracht, Capetonian and Protea Gardens--have been joined by 31 hotels and lodges, including the Tuli Game Lodge in Botswana, the Rob Roy near Durban, the Pretoria Protea Inn, the Protea Farm Excelsior at Franschhoek and the Kango Protea Inn in Oudtshoorn.

Mr Stehlik says the group will reach its target of 50 hotels by mid-1986. Mr Stehlik believes about 80 percent of hotels lost money last year.

Fred Thermann, operations director of the Federated Hotel, Liquor and Catering Association of SA (Fedhasa), says that figure is not realistic.

Drakensberg

"Over the 20 areas demarcated, only the Drakensberg increased income in real terms last November compared with November 1984. Taken together, all graded hotels showed a real income decline of 20.2 percent in that time."

Mr Thermann says many hotels are offering cut-price packages which do not even cover costs.

"This is not desirable. In the short term, the industry can absorb these cuts, but in the long term price-cutting will harm the industry. Hotels will not be able to give proper service and cannot afford the refurbishment required to stay up to standard."

Off the List

The SA Tourism Board deregistered 31 hotels in 1985, but financial problems were not always the cause. Two well-known hotels which lost their two stars were Deal's in East London and the Oklahoman Motor Hotel in Pretoria.

Mr Thermann says the "mama and papa" hotels are struggling. One-star and two-star hotels make up about 80 percent of SA's 1 336 graded hotels.

There are 966 one-star, 247 two-star, 95 three-star, 17 four-star and 11 five-star hotels. Of the 92 341 beds available in graded hotels, 33 387 are in one-star and 24 090 in two-star establishments.

Mr Thermann says that although December trade was disappointing, there is some indication that an improvement could come in 1986 from the domestic business sector.

"If the economy starts to roll, business travel will be stimulated and the big firms will push up occupancies. These firms can get bargain packages if they negotiate for accommodation in the next six months to a year."

Foreigners

However, Mr Thermann says a revival in foreign tourism is a long way off.

"There have been enormous cancellations, especially from North America where 80 percent of trips were called off. There was a 50 percent to 60 percent cancellation rate from Europe and South America.

"Foreign tourists book a year ahead, so I do not have great hopes for 1986. To get the volumes of tours back to 1984 levels will take millions of rands in marketing effort."

Mr Thermann believes volumes will begin to revive only in 1988.

/9317

CSO: 3400/1278

7 April 1986

SOUTH AFRICA

R6 BILLION NEEDED TO PREVENT ROAD SYSTEM COLLAPSE

Johannesburg SUNDAY TIMES in English 16 Feb 86 p 4

[Article by Ciaran Ryan]

[Text]

THE SA Road Federation (SARF) says expenditure of more than R6-billion is needed to prevent a collapse of the transport system.

SARF has urged the Government not to drop the price of fuel because of falling prices for crude oil and a strengthening rand.

Gerry van Alphen, president of SARF, tells *Business Times*: "Potential reductions in the price should be forgone, and money raised should be pooled into a central fund dedicated to all roads — national, provincial and municipal."

Resurfacing

The National Road Fund budget in 1985-86 is almost R410-million. Each litre of petrol sold contributes 5c, and diesel 7c/l to the fund. The funds are used exclusively for building and maintenance of national roads which account for little more than 1% of all SA's system.

Mr van Alphen says road budgets need to be increased by R1-billion a year to save transport from collapse.

Most roads need to be resurfaced after about 10 years of use and in some cases, structural strengthening is required where the volume of heavy traffic is high.

Inflation

Kees Lagaay, executive director of the SA federation of Civil Engineering Contractors, says R800-million was spent on roads, bridges and drainage contracts in 1985. Another R500-million was spent "in-house" by municipalities and provincial councils to improve regional roads.

Mr Lagaay says the value of work put out to contract is increasing by 10% a year in monetary terms, but when inflation of more than 18% is taken into account it represents a decline in real terms of about 8%.

Edward Petzer, director of planning at the Department of Transport, says that in spite of an increase in the size of the National Road Fund last year there is still a backlog in the department's building programme.

Mr Petzer says: "We have

had to set priorities in our road-building programme. We are first trying to improve access to main cities. The western, eastern and southern by-passes near Johannesburg have been completed.

"We are also building the Durban ring road and improving access along the North Coast to Richards Bay, and along the South Coast."

Costs rise

Mr van Alphen says tax receipts from the sale of fuel are almost equal to capital expenditure on roads. Road development could be funded purely from the taxes on the sale of fuel without funds having to be diverted from elsewhere.

He says: "The road network in SA has deteriorated to an unacceptable level since 1979. This has led to increased transport costs and maintenance expenditure."

"The national transport study, due to be published soon, could lead to unprecedented growth in road transport. Every opportunity to inject more funds into road building should be grasped."

/9317

CSO: 3400/1279

SOUTH AFRICA

TRANSPORT INDUSTRY DEREGULATION SOUGHT

Johannesburg BUSINESS DAY in English 17 Feb 86 p 5

[Article by Alan Peat]

[Text]

TRANSPORT executives are worried about the slow progress being made towards deregulation of the transport industry.

Little is being done about the deregulation recommended by the Department of Transport's National Transport Policy Study (NTPS), they say.

The NTPS, a four-year investigation of the transport industry, is intended to form the base of future transport policies.

But, say transport executives, the issue of replacing the contentious commodity permit system for public freight haulage is being delayed.

"Transporters and commerce and industry in general will therefore continue to suffer from the inadequacies of the present system and the unfair and disruptive competition from SA Transport Services," says Hultrans MD Mike Norris.

Trencor MD Deon Blignaut, who is chairman of the transporters' umbrella body, the Public Carriers Association, says: "Economic deregulation would be a great help to our productivity."

Transporters believe government is waiting for the results of

Wim de Villiers' one-man inquiry into privatisation of Sats.

On this they quote Transport Director-General Adriaan Eksteen, who said the present system could not be removed before financial inequities in the freight haulage system were removed.

Of the major NTPS recommendations, only the formation of a predominantly private sector Transport Advisory Council (TAC) looks poised to pass through Parliament this year.

Transport Affairs Minister Hendrik Schoeman says.

"Every effort is being made to legislate for the TAC during the current session of Parliament. Other recommendations, as well as the timing for the re-

moval of the permit system, are still under consideration."

Schoeman adds that it is his intention to use the TAC "among other things" to advise on the implementation of the rest of the NTPS.

"It is also the intention to involve the proposed Transport Tribunal at a later stage," he says.

/9317
CSO: 3400/1278

SOUTH AFRICA

TIMBER INDUSTRY LOOKS FOR EXEMPTION

Johannesburg BUSINESS DAY in English 17 Feb 86 p 2

[Article by Linda Ensor]

[Text]

LEADERS in the R400m-a-year timber industry appear optimistic that the Timber Marketing Agreement (TMA) will be exempted from the general prohibition on horizontal pricing arrangements to be promulgated on May 2.

Sources say they hope a temporary exemption might be granted on condition that certain changes are made before a permanent exemption is granted.

The TMA is an agreement — intended to maintain minimum prices at producer level — between 78 sawmillers, 304 merchants and 34 agents representing more than 90% of the structural and industrial timber markets.

While refusing to comment on specific instances, Competition Board chairman Stef Naude says flexibility must be built into any prohibitions. Where agreements have built up over a number of years, abrupt dis-

solution will cause grave disruption to the industry concerned.

"The success of the policy will depend not on the ruthlessness and severity with which it is instituted, but on its wisdom," he says.

Naude says some industries will need temporary exemptions from the prohibition to enable them to phase out the system.

He adds that where it is considered in the public interest, some industries will be permanently exempted.

Yorkcor chairman Solly Tucker believes the case for the exemption of the TMA is "compelling", adding that it is an example of a benign cartel which operates in the public interest.

Naude adds that the Competition Board will return to its investigation into overconcentration in the sawmilling industry, an investigation started in about 1983.

/9317

CSO: 3400/1291

SOUTH AFRICA

OPTIMISTIC PROSPECTS FOR NISSAN IN SPITE OF INDUSTRY'S DECLINE

Johannesburg BUSINESS DAY in English 4 Mar 86 p 6

[Article by Alan Ruddock]

[Text]

THE DECLINE of the motor industry in SA in the past three years has left a trail of casualties. Last year saw the withdrawal of three manufacturers and the near-collapse of at least two others. Consumer demand for new vehicles tumbled as interest rates soured, GST rose steadily, disposable income was squeezed and unemployment increased.

Most manufacturers lost money in 1984 and they all did last year. Nissan, once market leader, suffered badly but found a white knight in corporate giant Sanlam. Now Nissan believes it has weathered the crisis and has come to terms with its and the market's problems and can aim for a steady increase in market share and turnover.

John Newbury, MD of the Sanlam-controlled vehicle manufacturer, says Nissan's difficulties were identified earlier than the industry's. "We took certain corrective actions earlier than other manufacturers, and if we are in a better position now it is primarily because of that."

Sanlam's commitment to Nissan is underlined by the fact that Nissan is to invest R170m in tooling up for new models in 1987 and 1988.

Since Nissan is not a public company, Newbury sees no advantage in disclosing the company's profit/loss or actual turnover figures, but he is prepared to say that turnover last year was in the region of R550m and offers a ballpark figure of R5,5bn for total vehicle industry turnover.

"We made losses like everyone else in the industry last year, but our losses were not as high as some people tried to make out. In fact, if the rand had not collapsed so dramatically we would have turned a profit in the second half of the year."

Shortened

He says that despite the heavy industry losses last year, Nissan managed to come off better than most of its rivals. "In the past two-and-a-half years we have shed 2 500 jobs and the combined Magnis/Nissan workforce is now 5 100. The job losses were from all levels of the company. We took out an entire layer of management and have shortened the reporting lines. We believe it is important in these times especially to play the game from the field and not from the stands.

"The rationalisation of Magnis back into Nissan last year had strong cost benefits, because we were able to take out the duplication in both companies. Nissan will not feel much pain this year."

To combat the ever-escalating cost of tooling up for new models, Newbury says model life cycles will be extended from the traditional Japanese four years to six years and the tooling up cost will therefore be amortized over the six years of the models' life.

"As much as possible of the equipment required will be sourced locally,

but about 60% in value will have to be imported. We will move more towards automation, but not full automation — you could say progressive robotics."

Last year Nissan had an overall market penetration of 11.7% and Newbury intends to increase that to 12.5% this year in a market of about 206 000 passenger cars, 95 000 light commercials (LCV) and 9 400 heavy commercials (HCV).

Newbury says Nissan is satisfied with its performance in the past year. Market share increased and quality has been restored, he says.

"Our marketing has been aggressive and we have made a bold statement on quality. Our image with the consumer is improving and we are not seen as a company that will withdraw from the market."

Newbury believes there will be no more withdrawals from the SA market "but there could be one more joint venture. We are not talking to anyone, and have no intention of talking to anyone. A single franchise is better for us and for Nissan Japan".

He says the market will continue to be too small for the number of manufacturers. "Some manufacturers will continue to exist but will not be profitable."

The Japanese technological involvement in Nissan SA is substantial and has been instrumental in the dramatic improvement in quality, he says. While the Japanese have no financial involvement in the company "you can place a value on the technological co-operation".

"If the Japanese ban on investment in SA were lifted we would welcome Nissan Motor Company as a shareholder — and we believe it would be very beneficial. But I doubt they would want to get involved in SA at the moment."

Nissan's fall from grace — it was the market leader in the late Seventies and is now well down the log — is explained, says Newbury, by the com-

pany's strong commitment to the local content programme from its inception in the early Sixties.

"We developed skills early on, but the strength of the rand in the early Eighties penalised us heavily. Now a weaker rand has helped, and we are well positioned to take advantage of the benefits of local manufacture."

Aggressive

In 1987 Nissan believes the car market will improve to about 230 000 units, HCVs to about 10 000 and LCVs will remain static, and a year-on-year growth of about 15% thereafter.

Newbury is putting his faith in aggressive marketing, product quality and consumer awareness. "Our customer-care programme is paying dividends and we are expanding the base of our dealer networks and the quality of the dealers. Our quality improvement is on-going and we are determined to increase our fleet representation."

"We are working hard at cost control and improving productivity, and are working with our suppliers to improve their inputs. At the moment we have the highest plant productivity in our history, and that is also one of the major benefits of the Japanese."

"We worked hard with the National Productivity Institute, did a lot of soul-searching and recognised our deficiencies. Productivity is neglected in SA and improved productivity does not necessarily mean job losses. One has to use improved productivity to increase market opportunities."

Nissan and fleet sales always gets the opposition shouting "foul". The belief exists in the industry that Sanlam pressures its subsidiaries into buying Nissan products. "Sometimes I wish it were true, but Sanlam are not prepared to do that. They have not imposed their will on us to support their component companies, and they

will not force their subsidiaries to buy Nissan."

He points out that there is not a single Sanlam manager in the company. "Sanlam is not forcing its presence on us or trying to inculcate its philosophies. With new parents coming into the company, at the time one could not be sure how the relationship would work out, but they have been an absolute pleasure to work with."

Increases

The widening disparity between the rand/deutschmark and rand/yen exchange rate is causing some pricing problems for Japanese-sourced companies. Even the Japanese inflation rate at 1.8% over the past year is marginally higher than the West German equivalent of 1.3%.

"Car prices will continue to rise, probably by about 5% in early March followed by a quarterly 5% increase. There is a substantial need for increases, and price moves in the past 15 months have not been adequate. The increases are influenced by the competitiveness of the market, and we follow what the market leader does. In the present circumstances it is to our advantage that the market leader is also Japanese-sourced."

Another spin-off from Toyota's market leadership is that Japanese technology is perceived to be superior to German technology, Newbury says.

He admits to being "a little autocratic" in his management style, but says he and the other managers are very open. He is not a believer in committee decisions.

"I don't believe companies can afford to have extra management layers which inevitably lead to committee decisions. We work much closer to the frontline — direct involvement is vitally significant. The needs and requirements of this industry, and of business, are that you run hard."

/9317

CSO: 3400/1291

- END -

END OF

FICHE

DATE FILMED

17 APRIL 86

17/4